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Switzerland as a Market

By J. C. MACGILLIVRAY

Canadian Government Trade Commissioner in Holland

Price **25 cents**



DEPARTMENT OF TRADE AND COMMERCE

OTTAWA, CANADA

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*Canadian Government Trade Commissioner
in Holland*

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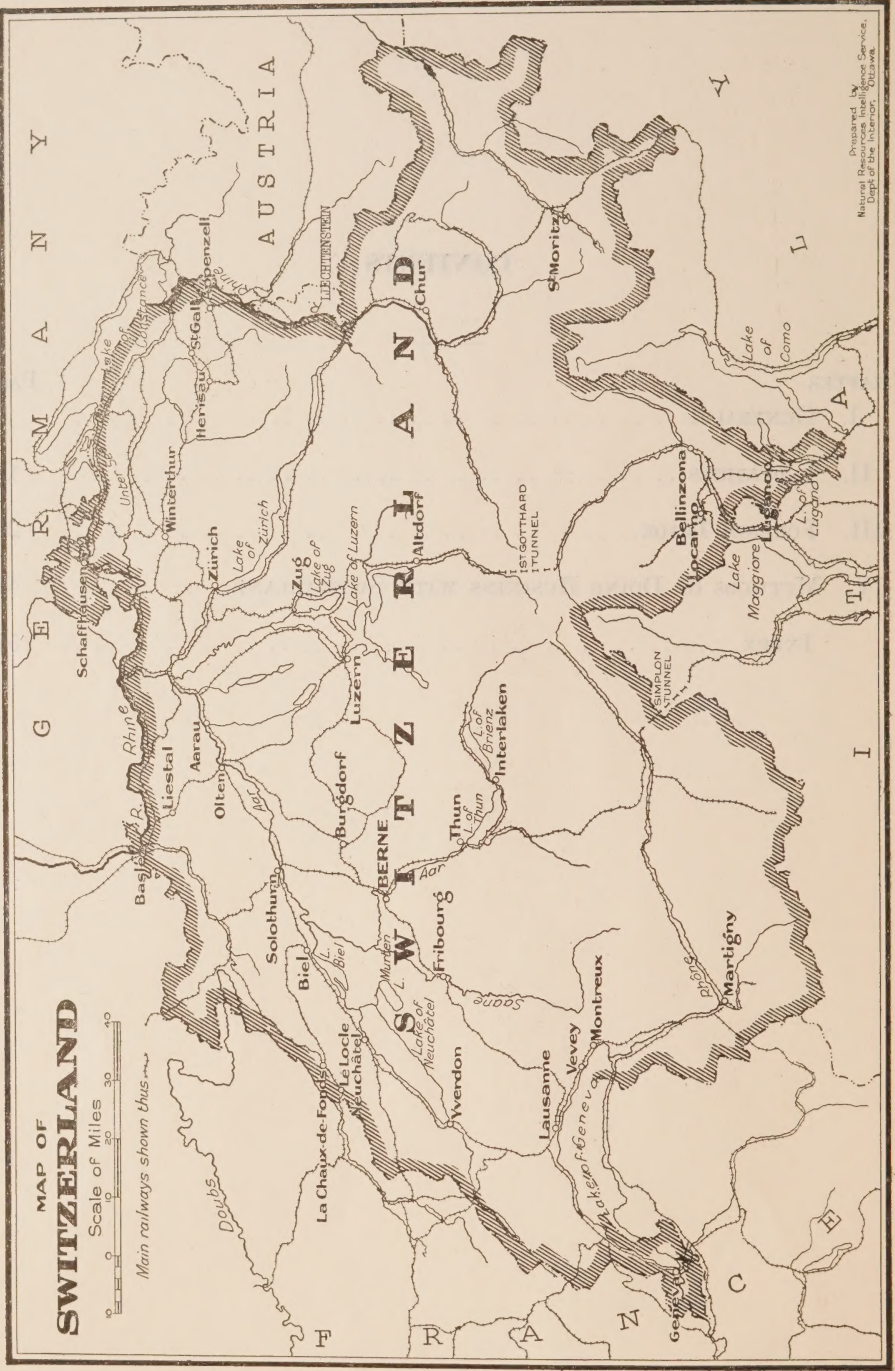


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TRADING WITH SWITZERLAND

I

General

Rotterdam, May 10, 1929.—Owing to its geographical position as an inland state, and because of its comparatively small area and population, Switzerland is a country which has to a large extent been overlooked by Canadian exporters when seeking wider markets for their products. Although commonly looked upon abroad as a land of mountains, alpine resorts, a mecca for tourists, and as the seat of the League of Nations and other international organizations, this is not a complete description. A closer study reveals a modern industrial and agricultural state with nearly 4,000,000 inhabitants, a high standard of living, and notwithstanding diversifications of language and race, a compact national unit.

Foreign trade is of particular importance to Switzerland. In 1927 imports per capita reached \$124.73, and exports \$98.43, thus making an aggregate of \$223.16—a figure which is only exceeded in Europe by the Netherlands and Denmark. By way of comparison, Switzerland imported more goods than either the Union of South Africa or Brazil which are many times greater in size, while its exports exceed those of either South Africa or New Zealand and were roughly equal to almost one-third of Canada's total export trade. The visible trade balance is consistently unfavourable. The deficit is, however, to a large extent at least offset by unrecorded items, chief among which is tourist expenditure.

Switzerland is a country which is poor in natural resources, and as a consequence its position in trade depends on the skill and ability of its workmen rather than on a wealth of material. Industry has become specialized and exports consist essentially of highly manufactured articles, while the principal imports are raw materials and foodstuffs. In exporting to Switzerland, the best opportunities are to be found for products belonging to these two groups and for fabricated goods which are either not made locally or are insufficient for domestic requirements.

A detailed study of imports and industries indicates certain lines where important extension of Canadian trade cannot obviously be expected. In others the demand will automatically increase as the demands of the country become greater. In still others sales will depend primarily upon the effort made by the exporter to push his goods and upon able representation and effective publicity.

As a purchaser of Canadian goods, the position of the Swiss Republic is not appreciated in the Dominion owing to the bulk of Canadian exports which are actually consumed there being shown in statistical publications as shipments to seaboard countries which in actual fact are only points of transshipment. Switzerland is an importer of much larger quantities of Canadian products than is generally believed to be the case, and despite limitations it is a market which has not received the attention which its importance warrants.

According to Swiss statistics, trade with Canada shows a heavy balance in favour of the Dominion. Wheat accounts for 90 per cent of the total Canadian imports, with additional small quantities of rubber goods, fish, and miscellaneous manufactured articles. Exports are more diversified and include among the most important items, silk, artificial silk, and cotton fabrics and other textiles, aniline dyes, watches, watch actions and parts, and chocolates.

PHYSICAL FEATURES

In the same latitude as the north shore of Lake Huron, Switzerland is a rough hexagonal in shape bounded on the north and northwest by Germany, on the east by the Austrian Tyrol, by Italy on the southeast and south, and by France on the southwest and west. Its natural frontiers are the Alps on the south and east, the Rhine on the north, and the Jura mountains on the west.

The area is 15,976 square miles, which is 5,452 square miles smaller than the province of Nova Scotia and about one-seventh the size of Great Britain. The greatest length from east to west is 208 miles and the extreme width is 156 miles.

Physically the country may be partitioned into three major divisions—the Alpine region on the south, the Jura district on the northwest, and a dissected plateau, broken by valleys and lakes, which lies between the two mountain ranges. These divisions make up one-half, one-sixth, and one-third respectively of the total area; and it is the latter which is important as the commercial and industrial section of the republic. About a quarter of the total area is barren and unproductive mountain country, the remainder being arable and forest land.

In conformity with its irregular surface, there are a wide range of elevations from the lowest point, the shore of Lago Maggiore, which is only 197 metres above sea level, to the highest level, the summit of Mount Arosa, 4,638 metres in height. There are thirty-one lakes, most of which are on the plateau; the largest of which are the Lake of Geneva and Lake Constance, the former with a surface of 581 square kilometres. The headwaters of four great rivers—the Rhine, the Rhone, the Po, and the Danube—are to be found in Switzerland, all being fed from melting glaciers in the high mountains.

CLIMATE

The climate of Switzerland owing to the wide range of elevations is subject to great extremes. The sheltered valleys on the south side of the Alps, protected from the cold northerly winds, may have a temperature of 60 degrees F. in midwinter, while a few miles away in the high Alps sub-arctic conditions prevail. The Alpine climate is bracing and invigorating throughout the year, with frost and usually abundant snow in the winter.

On the central plateau the climate approximates that of Central Europe with mild winters and moderate summers. The Alpine range forms a dividing line between the south winds from the Mediterranean and northerly winds which sweep over Germany from the North Sea and the Baltic. Both of these come over the plains laden with moisture and consequently there is an abundance of rainfall and the country is well watered. Sunshine reaches its maximum in Lugano in Italian Switzerland, where 2,201 hours were recorded in 1927, compared with 1,988 hours in Geneva and 1,576 in Zurich, where there is a high record of precipitation.

HISTORY AND GOVERNMENT

Originally the home of the prehistoric lake dwellers and later a part of the Roman Empire, Switzerland was during the middle ages invaded by the Burgundians as well as Germanic tribes, to which it owes its present linguistic divisions. The nucleus of the present state dates back to the thirteenth century, thus making it one of the oldest existing democracies.

Switzerland is a Federal Republic with its legislative machinery in some ways similar to that of the United States. It is divided into twenty-two provinces or cantons, each enjoying complete sovereignty within the limits imposed by the Federal Constitution. Executive power is vested in the Federal Council

of seven members, from among whose numbers the President of the Republic is elected. Legislation is in the hands of the Federal Assembly, which is made up of two bodies, the States Council and the National Council, the former consisting of two representatives from each canton and the latter being elected by popular vote of the people, who themselves have control of the initiative and the referendum.

POPULATION

According to the census of 1920—which is the last available—the population of the republic was 3,880,320, or 94 per square kilometre; and the estimate at present is 3,987,000, or nearly 1,000,000 more than the province of Ontario in approximately one-twenty-sixth of the same area. The density is sparsest in the Alpine districts and the greatest on the central plateau, although the Jura region is also fairly thickly populated. The maximum is reached in the cantons of Bern and Zurich, which between them account for some 1,300,000 people.

There are no cities of metropolitan size, and only four are in excess of 100,000. These are Zurich (215,460), Basel (141,650), Geneva (126,709), and Berne (109,020). There are only six other centres which have over 25,000—St. Gallen, Lausanne, Winterthur, Lucerne, La Chaux-de-Fonds, and Biel-Bienne. All these with the exception of La Chaux-de-Fonds, which is in the Jura, lie in the central area.

Transportation is so well developed in Switzerland, however, that it is difficult to differentiate between urban and rural dwellers, many of the latter dwelling in the country and carrying on their occupation in the cities.

Particularly during recent years, a large and increasing number of foreigners—mostly Germans, French, and Italians—have taken up their residence in Switzerland, and the high percentage of non-Swiss citizens has caused the Federal authorities some concern. Most of these live in the frontier cantons, and at the time of the 1920 census the population of Geneva was 30·9 per cent foreign; Basle, 27 per cent; Tessin, 21·4; Schaffhausen, 16; and Zurich, nearly 14 per cent.

Along with immigration is emigration; and both are the outcome of the industrial growth of the country. It is estimated that there are 310,000 Swiss domiciled abroad: emigration since the war has averaged in the neighbourhood of 6,000. In 1927 the figure was 5,272, of whom 2,450 went to the United States, 888 to Canada, with South Africa and the Argentine the next most attractive countries. Almost one-half of the total population were classed as agriculturists. The balance consisted of mechanics, clerks, and a smaller group representing the professions.

OCCUPATION AND PURCHASING POWER

From an essentially agricultural country, Switzerland is developing into a highly industrialized one, and a study of statistics reveals a striking decrease in agricultural pursuits and a corresponding increase in manufacturing and allied branches of activity which include trade and commerce and transportation. Out of the total population, 26·59 per cent were dependent on agriculture and primary production in 1920, compared with 32·74 per cent in 1900 and 44·40 per cent in 1880. Conversely, the number whose livelihood depends on industry increased from 34·47 per cent in 1880 to 41·11 per cent in 1920, while the number of people engaged in trade and commerce has doubled and in transportation nearly trebled between the same years. This illustrates the growing dependence of Switzerland on foreign countries for supplies of raw materials and foodstuffs and the tendency of Swiss industry to become highly specialized.

A high standard of living, the absence of extreme poverty, and a sturdy middle class population with a good average income makes the question of

quality of more importance in dealing with the Swiss market than in other European countries and puts price on the whole in second place. Wages are high in comparison with continental standards: in 1926 the average earnings of skilled workers in all branches of industry were 12.56 frs. per day and of unskilled workers 9.89 frs. per day.

The following table illustrates the average daily wages earned by skilled and unskilled employees and women in the principal branches of industry in the year 1926:—

	Skilled Workers Fr.	Unskilled Workers Fr.	Women Fr.
Metal and machine industry	12.58	9.90	6.76
Building trades	13.23	10.10	....
Lumber industry	11.90	9.06	....
Textile industry	10.79	9.60	6.83
Watch and clock industry	12.72	8.75	7.42
Shoe industry	10.72	....	6.98
Paper industry	10.91	9.38	5.63
Chemical industry	12.58	10.43	6.34

From the above it is apparent that the Swiss manufacturer is not able to compete successfully in the world markets because of low wages. On the contrary, he must produce an article the chief merit of which lies in its workmanship and whose value is relatively high in comparison with its weight in order that transportation to overseas markets will be economically feasible.

LANGUAGE AND RELIGION

One of the most outstanding features about the Swiss republic is the diversity of tongues, there being three official languages—German, French and Italian—which are spoken in the three sections of the country generally known as German, French and Italian Switzerland. Of the three German is the most important, being the mother tongue of 70.9 per cent of the people and the common language in 16 out of 22 of the cantons. French is spoken by 21.2 per cent of the population principally in the western cantons of Fribourg, Vaud, Valois, Neuchatel and Geneva. Italian is the language of another 6.2 per cent, most of whom are on the south side of the Alps in Tessin and the Grisons. Finally, 1.1 per cent speak Romansch, an ancient Roman dialect akin to pure Latin; and the remainder or 0.6 per cent are foreigners speaking other languages.

Turning to religion, approximately 57 per cent of the inhabitants are classified as Protestants who are in the majority in 11 of the cantons, while about 41 per cent are Roman Catholics. As regards religion, it should be remembered that this does not follow the lines of language; its basis rests rather on a historical foundation.

While English is being spoken by an increasing number of business men, its use is by no means general, and when visiting the country other than for pleasure a knowledge of French or German or (preferably) of both is almost essential. The majority of the larger importing houses can all correspond in English, but inquiries in other languages should be answered where at all possible in the language of the inquirer. Where English is used, a translation has often to be employed which means expense and delay to the recipient, and in such cases there is a strong tendency to favour the firm which can write in the language which the receiver of the letter understands. What applies to correspondence is equally applicable to catalogues and literature. These should be in French or German; circulars in English are of little use.

MONETARY SYSTEM

The monetary unit is the Swiss franc of 100 centimes or rappen in the German-speaking cantons. The Swiss National Bank issues legal tender notes

in denominations of 20, 50, 100, 500, and 1,000 francs. There are gold coins of 20 and 10 francs, silver coins of 5, 2, 1, and $\frac{1}{2}$ francs, and nickel and copper token for the smaller units.

Switzerland became a member of the Latin Monetary Union upon its formation, but found it expedient to withdraw in 1926 and now acts independently. The franc is on a gold basis with a value of 19.3 Canadian cents. In trading with the country, it should not be confused with the depreciated francs of Belgium and France.

STATE FINANCES

Swiss budgets, like those of other European countries, have shown annual deficits since the war and there has been a steady increase in the public debt which has only recently shown signs of abatement. The Federal Budget for 1928 shows an anticipated deficit of 9,260,000 fr. in comparison with 13,997,000 fr. in 1927 and 24,214,000 fr. in 1926, in which years the actual deficits were 9,378,433 and 1,584,164 fr. respectively.

The chief sources of revenue are import duties, stamp and coupon taxes, interest on capital, and the postal and telegraph departments, the total income in 1927 amounting to 331,316,115 fr. Among the expenditures the allotment to the militia department was the largest, followed by appropriations for the establishment of a fund for social insurance, the Customs service, aid to agriculture, an instalment for subsidizing the electrification of the Federal railways, and last but not least, substantial sums for education and the promotion of arts and crafts.

In 1926 a beginning was made in the redemption of the national debt, one-half of the Federal War Tax being set aside for that purpose, the other half being assigned to a sinking fund which is to be used for further debt redemption.

Apart from Federal finance, there is the question of Cantonal finance which has also been going through a period of ill health, although here too signs of improvement are apparent. In both 1925 and 1926, sixteen cantons and municipalities balanced their books with a surplus and nine with a deficit in comparison with eleven and fourteen respectively in 1923.

COST OF LIVING

In common with most countries, Switzerland was adversely affected by the sharp rise in prices which took place immediately after the war with the attendant increase in the cost of living. Official statistics are issued showing the cost of foodstuffs, clothing, fuel, rent, and light since 1913 which with 100 is used as a base. By 1922 this had risen to 164, and in 1924, which was the peak, to 169, from whence it has receded to 160 in 1927. Omitting rent the fall is more marked, but this has not followed the downward movement, and on the contrary has steadily risen and in the large cities is 83 per cent more expensive than immediately before the war.

With the greater cost of living increased wages became necessary, which put a severe strain on industry during the chaotic post-war years, and which even now can only be offset by the enhanced skill of the worker, as the wage index has not on the whole followed the cost of living index downwards. Complete statistics regarding both present and pre-war wages are not available, but where they can be studied it is apparent that the Swiss workman is in a much better relative economic position in 1928 than he was in 1913, particularly when the question is considered in connection with the shorter working day which now prevails.

UNEMPLOYMENT AND SOCIAL LEGISLATION

Unemployment in Switzerland is not a question of importance; on the contrary, it is on occasion necessary to import foreign labour. In 1927, out of a

population of nearly 4,000,000, the average number of unemployed was only 11,824, in comparison with 14,118 in 1926 and 11,090 in 1925, which in each case works out as only one among several hundreds. The tendency is, comparatively speaking, for the greatest number of those out of work to belong to the "white collar" classes and to be skilled workers in the various branches of industry rather than manual labourers.

Conditions in the Swiss labour market depend for the greater part on world economic conditions. The domestic market absorbs only a fraction of the output of the factories, and when foreign countries lose their power to purchase Swiss products through depression or legislation, the effect is at once noticeable in unemployment.

In common with the more advanced countries of Western Europe, the Swiss Republic has a series of modern laws for the protection and betterment of the working classes which date back to 1878, when an eleven-hour working day was established. In 1905 the working day was further shortened to nine hours, and in 1919 the forty-eight-hour week was brought into being, from which exceptions are made only in cases of urgent necessity. There is also protection against old age, sickness, and accidents, the burden of which is divided between the Federal and Cantonal Governments.

SWISS BANKING

The banks in Switzerland have a wide diversity of character, and are used by the people to an unusual degree, covering the country with a close network which has enabled them effectively to drain off a large amount of idle capital. In 1927 they were 734 in number, which were divided in eight groups: the cantonal banks (24), the so-called great banks (8), medium-sized and small local banks (101), co-operative banks (405), mortgage banks (18), savings banks (93), and trust companies (30).

NATIONAL BANK

Swiss banking practice is built around the National Bank, which was organized in 1907 with an authorized capital of 50,000,000 fr. It is a compromise between a State and a private institution, and between cantonal and federal interests, in that it is organized as a joint-stock company in which the provinces hold shares, while authority over the stockholders is vested in the State. The original charter of the bank ran for twenty years subject to ten-year renewals by federal legislation, the first of which has already been granted, giving it a charter until June, 1937.

The National Bank has the sole right of issue, and in 1927 the amount of fiduciary circulation totalled 798,788,000 fr. According to law, 50 per cent of the issue must be covered by metallic reserve, and the bank is under obligation to redeem at any time and at par, in legal tender, any bills which may be presented. The specie reserves greatly increased during and immediately after the war, having risen to 78.71 per cent of the outstanding notes in 1922, from where it has fallen to 65.20 per cent in 1927.

The function of the National Bank is also to act as a stabilizer on the finances of the republic by regulating the official discount rate, maintaining the level of foreign exchange, and issuing bills in such quantities as they may be needed. In addition, it receives and pays moneys on behalf of the State, makes transfers between banks, discounts bills, and deals in foreign paper.

CANTONAL BANKS

Prior to the formation of the National Bank, the cantonal or provincial banks controlled note circulation, but at the present time they have a mixed

field of activity. Their general purpose is to encourage savings and to grant mortgage loans, and to a lesser degree they also transact a general banking business. Their importance varies. Some are but small savings institutions, while others can be classified with banks of the first grade.

OTHER BANKS

The eight large commercial banks constitute the most important element in private banking in Switzerland, and their combined paid-up capital is well in excess of one-quarter of the capital of all the banks. Their activities are not specialized, and a general banking business is conducted which includes all ordinary activities.

The medium-sized and small local banks are replicas of the large commercial banks, but because of lack of capital and strength their work is done on a smaller scale and their activities are confined to less important clients. The co-operative banks and savings banks devote themselves entirely to small savings of different groups of people such as agriculturists, factory employees, and other groups and organizations. The mortgage banks are synonymous with their name and confine themselves for the greater part to loans on real property with occasional participation in other operations.

TRANSPORTATION

The transportation system of Switzerland consists of an efficiently run railroad system supplemented by a network of highways which is being improved to carry an auxiliary omnibus service in different parts of the country, navigation on some of the lakes and rivers—which is of lesser importance—and air line connections with all adjoining countries. The city of Basle is one of the most important railroad junction points in Europe, and is a hub from which lines radiate to all the capitals and commercial centres of the Continent.

RAILWAYS

In 1926 the country was equipped with 5,867 kilometres of railway, of which 3,626 were of standard gauge, 1,509 of narrow gauge, 490 kilometres of tramway, 192 of cog railways, and the balance cable roads. With the exception of a few small feeder lines, the normal gauge road is all operated by the State as the Swiss Federal Railway, while the narrow-gauge and other roads are all privately owned. Chief among these are the Lötschberg railway, 52 metres long, and the narrow gauge Loetian, 172 metres long, which serves the valleys of the Grisons.

With the outbreak of war and the loss of most of their normal traffic, the Swiss railways went through a period of severe financial strain from which they are only beginning to emerge. This was particularly the case with the secondary lines in the mountains which depended on tourist traffic for their revenue.

As regards the federal system, there was a net working loss every year from 1914 to 1922, which was turned into a profit for the first time in 1923. In 1926 their gross revenue amounted to 375,800,000 fr. and expenditures to 254,400,000 fr., leaving a gross surplus of 121,400,000 fr. as compared with 130,100,000 fr. in 1925. The requirements for debt amortization and to meet war losses were considerably in excess of this gross surplus, however, and the result was a working deficit of 9,579,341 fr. compared with a net profit of 1,484,941 fr. in 1925.

This loss is to a large degree attributable to a falling off in receipts from both passenger and freight traffic, the latter being caused by the extent of the reduced rates to cope with motor truck competition.

The figures for 1927 show an all-round improvement in both branches of business, which should tend to again make the accounts balance, taking into account also that last year's budget was cut down considerably as regards the outlay for electrification, maintenance, and the acquisition of new rolling stock.

ELECTRIFICATION OF RAILWAYS

The difficulty in securing coal during the war brought to a head the proposition of electrifying the railways of Switzerland, which would give them a full degree of independence and also ultimately reduce costs. While a small beginning had been made before the war, it was not until 1920 that work was begun in earnest and at the close of 1927 half of the total mileage had been electrified. Electric traction was first installed in the St. Gotthard Tunnel in 1920, and two years later all traffic was electrically handled. The program for 1928 calls for the electrification of an additional 176 kilometres, which will mean 57 per cent by the end of the current year.

Electricity is now the motive power on all the main lines and the work of extension will be gradually extended to all the feeders. Even now no country in the world has such a high percentage of electrically-operated road: in 1927 over 77 per cent of the total traffic was moved by electricity as compared with 56 per cent in 1926.

The original scheme in 1918 called for the complete electrification of the railways over three ten-year periods, but plans were accelerated by an unemployment crisis in 1923, which caused the State to grant subsidies to increase the use of labour, and consequently plans are several years ahead of schedule.

ROADS AND HIGHWAYS

Coincident with the great increase in automobile traffic which has taken place during the past few years, steps have been taken to modernize and extend the Swiss system of highways in order to make them able to cope with the heavier demands which are made upon them.

At the close of 1926 there was a total of about 14,623 kilometres of road in Switzerland, which included some 3,000 kilometres of trunk roads and 7,000 kilometres of cantonal roads. These highways are maintained through the joint efforts of the State, cantonal and municipal authorities, the former assisting particularly with the through roads of international importance. The cantons also make various levies for highway upkeep, while one-fourth of the import duty on gasoline has been earmarked for distribution to the cantonal authorities for the same purpose, although there has been some difficulty regarding the distribution of this money.

At the end of 1927 there were 42,369 passenger automobiles, 11,184 trucks, and 31,534 motor cycles owned in Switzerland compared with 36,070, 9,589, and 23,600 respectively in 1926 and 28,697, 8,381, and 18,967 in 1925. The number of tourists' automobiles entering the country temporarily has increased to an even greater extent. This reached the substantial total of 78,693 in 1927 compared with 50,048 in 1926, 36,380 in 1925, and 21,916 in 1924. In addition to tourist and ordinary automobile traffic, there is an important omnibus service either operated by the Post Office or private enterprises licensed by the Post Office. In 1927 sixty of these services operating over 1,176 kilometres of road carried 1,891,081 passengers and 21,168 tons of merchandise at a cost of 2,980,770 fr., while the gross income was 3,427,890 fr., leaving a profit of 447,120 fr. These services are gradually being extended, and while they have their place and fill a distinct want, they are competing with the railroads and taking away some of their traffic. During the same period urban motor bus lines carried 5,206,285 passengers with a total mileage of 1,226 kilometres.

CIVIL AVIATION

Switzerland is a link in the network of commercial air lines covering Europe—there are regular passenger, freight, and mail services connecting Zurich, Basle, and Geneva with Germany, France, the Iberian Peninsula, and countries to the north. The crests of the Alps form a barrier to free and uninterrupted navigation to the south. The operators are Swiss, French, German, and British companies.

As was the case with aerial traffic everywhere on the Continent, an expansion was recorded in Switzerland in 1927, 5,107 regular flights having been made occupying 7,154 flying hours and covering 916,400 aero-kilometres, during which 13,110 passengers, 82,984 kilograms of freight, and 46,732 kilograms of mail were carried, with only four accidents in which seven people were injured. In the preceding year 4,253 flights were undertaken, which carried but 7,863 passengers and 32,515 kilograms of freight.

In addition to the regular lines, there were thirteen summer routes flown during the past year which transported 10,823 passengers. Among the regular lines, the one operating from Basle, Brussels, Rotterdam, and Amsterdam was the busiest, followed by the Zurich-Basle-Paris route.

NAVIGATION

Internal water-borne commerce is confined to steamers operating on the Rhine between Schaffhausen and Constance, and to activities on some of the larger lakes, the two most important of which are Lake Geneva and Lake Constance. Local freight and tourist traffic is handled, but inland navigation is of no international importance. Statistics covering this branch of transportation for 1927 credit a total of 124 vessels with personnel of 878 with carrying 6,523,706 passengers and 137,933 tons of merchandise. Expenses are given as 7,935,535 fr. and earnings 8,568,392 fr.

THE PORT OF BASLE

A review of Swiss transportation facilities would not be complete without making special mention of the port of Basle, at the head of navigation on the Rhine and the republic's only port giving uninterrupted access to the sea and the outside world. Its development and matters affecting the navigation of the river are of supreme importance to the Swiss people, not only as affording them a direct highway to the North Sea but as a competitor to the railroads which tends to keep their rates at a reasonable level.

The work of regulating the level of the Rhine has in the main been confined to the stretch between Rotterdam and Strassburg, and consequently navigation above the latter point is dependent on the flow of water which at certain seasons of the year is insufficient. The Swiss strongly favour the development of a free channel which it is estimated can be extended as far as Basle with a minimum depth of 2 metres for 318 days out of the year. Tentative plans have also been made for extending navigation from Basle to Lake Constance.

In anticipation of permanent river improvements, the work of enlarging Basle harbour was begun in 1919 and the program is now practically completed, as a result of which the tonnage handled in 1927 was almost three times as great as in the year 1924, which had previously held the record. Up-river traffic is considerably in excess of down-river traffic, the former in 1927 having represented 654,965 tons and the latter 84,875 tons, in comparison with 236,957 and 36,272 tons in 1926 and 60,112 and 29,546 tons in 1925—which was, however, a year of drought.

The principal commodities which moved in and out of Basle in 1927 were as follows:—

		<i>Imports</i>	
	Tons		Tons
Wheat	152,791	Phosphate	12,702
Oats	38,934	Iron and other metals	7,270
Maize	64,076	Railway material	898
Barley and rye	6,292	Ground nuts and oilseeds	3,212
Coal	163,778	Briquettes	2,165
Coke	67,592	Paving stones	1,297
Inflammable liquids	48,132	Wood	664
Tar, etc.	16,822	Fodders	1,878
Earths	32,259	Sugar	5,923
Sulphur, crude	2,051	Miscellaneous	13,493
Pulpwood	12,736	Total	654,965
		<i>Exports</i>	
	Tons		Tons
Iron ore	20,412	Chloride of lime	461
Carbide	10,308	Stones	984
Pyrites, ash	11,080	Calcium cyanamide	955
Asphaltum, pure, crude	9,962	Boards	934
Chemical products	8,290	Potash	4,766
Slag, blast furnace	1,844	Ferro-silicon	112
Powdered leather waste	1,206	Miscellaneous	5,637
Iron alloys	1,190	Total	84,875
Condensed milk	2,817		
Fodders	3,917		

POST, TELEGRAPH, AND TELEPHONE

The telegraph and telephone services are Government monopolies, and each represents a national investment of growing importance which together showed an operating profit of 2,599,359 fr. in 1927. The combined capital investment is represented by 391,961,628 fr. in comparison with 101,573,153 fr. in 1926. The revenue from telegraphs was 9,313,855 fr. and from telephones 74,638,590 fr., both of which were slightly behind the figures for the years 1926 and 1925, but at the same time ahead of previous periods and well in line with the marked general increase in receipts which has been manifested since before the war.

At the close of 1927 there were in Switzerland 2,549 telegraphic offices, giving employment to 4,853 people and making use of 35,291 kilometres of wire and lines totalling 798 kilometres, over which a grand total of 6,178,792 telegrams were transmitted. There were at the same period 223,597 telephone instruments in use by 171,451 subscribers connected with 30,178 kilometres of line stretching to all parts of the country. The service is very efficient, and in the larger cities the old manual equipment has been replaced by automatic exchanges.

The postal services in 1927 employed 15,485 people, had a total revenue of 144,506,000 fr. and expenses amounting to 129,528,000 fr., thus leaving a gross profit of 20,898,000 fr. During the year 454,200,000 pieces of inland mail matter were carried as well as 69,600,000 going to or coming from foreign countries.

NATURAL RESOURCES

Although endowed by nature with magnificent scenery and an agreeable climate, the only other natural resources of Switzerland which are worthy of more than passing notice are water-power and forest wealth.

The most important mining undertaking is the extraction of asphalt in the Val-de-Travers, but the output has steadily diminished during the last ten years. There are small iron and coal mines in the country, which under the stimulation of wartime necessity had some attention paid to them, but the out-

put is negligible and the great bulk of the coal and iron which the country needs must be imported. The most important iron mine is near St. Gall, and in 1926 its production amounted to 45,000 tons of hematite and 15,000 tons of manganese ore, most of which was exported for treatment. In addition to coal and iron, there are non-commercial quantities of such minerals as tale, fluorspar, and manganese. Oil has been prospected for in the neighbourhood of Zurich, but results were negative.

Peat is plentiful in fields scattered throughout the whole country and production was intensified during the war, but it has since fallen away to the vanishing point. The raw materials necessary for the manufacture of cement, earthenware, and brick are present, as are also considerable quantities of salt, the production of which is equal to domestic consumption.

HYDRO-ELECTRICAL DEVELOPMENT

Poor in resources of coal, Switzerland is compensated by being well supplied with water from which electrical energy can be manufactured at a low cost, and the exploitation of this is proving to be an important factor in Swiss economy by providing the motive power for industry and an exportable surplus assisting to offset the deficit in the balance of trade. Control of resources is kept in the hands of the State, which secures rational distribution by granting concessions to power companies.

In January, 1928, the rating of the hydro-electric power plants in operation or in the course of erection in Switzerland amounted to 2,565,403 horsepower, which is equivalent to only about 25 per cent of the total power available. The production of power, which had its beginning in the nineties, was greatly stimulated by the coal shortage during the war, and during the course of its post-war development production has shown a steady though unspectacular upward trend. The 300,000,000 kw.h. point was first reached in October, 1927, and in September, 1928, this had climbed to in excess of 325,000,000.

Exports of power have followed the production of energy and have been constant in volume with a gradual growth; steps taken by the authorities to bring about more healthy conditions in the power export field are bearing fruit. All exporting is done through licenses, which are issued with discrimination, and it is interesting to note that two years ago some power companies contracted on an exchange basis to export their surplus summer output in return for the import during the winter of foreign steam-generated current.

FORESTS

Owing to the hilly nature of the country, parts of Switzerland are more suitable for growing trees than as agricultural or pasture land; approximately one-fourth of the total area is under forest, some two-thirds of the trees being coniferous. These are not only an important source of economic wealth to the country through the resulting supply of lumber, but they act as a huge sponge regulating the flow of water of the large rivers whose headquarters are in Switzerland and also prevent erosion of the hills and landslides.

In more exact figures, the forests cover 977,138 hectares, of which 45,194 hectares belong to the State, 656,720 to municipalities and other corporations, while 275,224 hectares are in the hands of private owners. The principal wooded areas are in the Jura and in the foothills and lower slopes of the Alps, and the municipal, cantonal, and federal authorities regulate the cutting and preservation of the forests. The work of reforestation which is systematically carried out is undertaken by the cantons under the supervision of the State at an

expense of several million francs per year, which in 1926 included the planting of 2,070,743 new trees and the cultivation of over 15,000,000 others already planted and growing.

No data is available regarding the production of the privately owned forests, but there are statistics dealing with those which are in the hands of the public. In 1920 the production of the State-owned woods amounted to 189,799 cubic metres, of which 104,850 cubic metres are classified as firewood and 85,837 cubic metres as for other purposes. Some 129,267 cubic metres were from coniferous trees and 61,420 cubic metres from deciduous trees.

Turning to the forests owned by communities and corporations: in 1926 the production came to 1,957,820 cubic metres, consisting of 1,417,912 cubic metres from conifers and 551,489 cubic metres from leafy trees. Of the total, 881,697 cubic metres were for building and general utility purposes and the balance firewood.

The total output of the Swiss forests shows a slight decline since 1923-24, although it is in excess of the production figure for 1927. The value has followed the volume, being given at 56,902,286 fr. in 1926 compared with 61,556,478 fr. in 1923 and 55,227,582 fr. in 1921.

FISHERIES

Freshwater fish are plentiful in the lakes and rivers of the republic; the bulk of the catch finds a market in the hotels and restaurants. In 1927 the production of Lake Constance, the largest body of water, was 140,777 kilos valued at 321,960 fr., while the Lake of Neuchatel yielded 212,685 kilos worth 588,634 fr. The type of fish found in the different lakes varies considerably, but in the two above mentioned a type of salmon known as *Blaufelchen*, *Pallées* and *Bondelles* are the most abundant. Fish hatcheries are subsidized by both the Federal State and the cantons; in 1927 there were 246 of these establishments, which distributed 220,000,000 fry.

II

Industries

Switzerland is a country where there has been a great industrial development, and unlike agriculture, where the small-holding system prevails, industry is carried on on a large scale with many highly capitalized corporations. Its origin may be said to date back to the sixteenth and seventeenth centuries when Europe was torn with religious wars and refugees who were craftsmen found in Switzerland a country where they could pursue their vocations undisturbed.

The geographical position of the country, the scarcity of raw materials, and the difficulties inherent in transport, were all unfavourable to industry. These difficulties, however, have been all overcome and many Swiss products such as machinery, watches, chemicals, silks and embroideries occupy a deservedly conspicuous position which enables them to successfully compete in the world markets. The domestic market is small and restricted and hence the bulk of the manufactures must be exported.

Up to the close of the war Swiss industry went through a period of steady and uninterrupted development. Since this period the development has continued, but with the altered conditions which accompanied reconstruction it has had to adapt itself to new circumstances. Old markets have been lost or made more difficult to enter through the erection of tariff barriers. The greater utilization of water-power for the manufacture of electrical current has enhanced the importance of dependent industries such as the production of electrochemicals.

The number of companies in principal groups operating in Switzerland in the years 1924 and 1927 together with their total capitalization was as follows:

Swiss Companies Engaged in Industry and Commerce

Description	1924		1927	
	Number	Capitalization in Million Fr.	Number	Capitalization in Million Fr.
Production of raw materials	260	463	257	485
Industries	2,414	1,794	2,699	1,686
Foodstuffs	354	366	370	332
Clothing	133	99	163	63
Building	269	101	322	110
Textiles	270	333	288	321
Paper and leather	69	51	74	57
Chemicals	289	229	315	223
Machinery and metallurgy	795	562	904	525
Graphic arts	235	52	263	55
Commerce	5,370	2,925	6,950	3,770
Pure commerce . . . . .	...	...	1,590	473
Real estate	3,091	166	3,946	181
Banks	529	1,952	912	2,692
Insurance	32	209	34	233
Hotels	278	120	295	113
Other commerce . . . . .	...	...	173	77
Transportation	383	401	451	390
Miscellaneous	243	28	280	31
Total	8,670	5,611	10,637	6,363

According to the census of 1920, there were at that time 821,340 persons employed in Swiss industry or 44·35 per cent of those engaged in all occupations, which represents an increase of 70·5 per cent in comparison with 1880. The machinery, apparatus and instrument industry had the largest number of employees in any group in 1927. With the exception of silk and embroidery all of the principal groups show marked increase in the number of hands engaged, particularly the machinery, watch making and chemical industries. As an indication of the movement of Swiss industry the following table illustrates the number of employees engaged in the leading groups:—

Skilled Labourers in Swiss Industries	1927	1926
Machinery, apparatus and instruments	64,696	61,485
Watch and jewelry	42,520	42,687
Cotton industry	37,565	34,517
Clothing, ready-made clothing, complete outfits, etc. . . .	37,052	35,493
Metal industry	27,300	26,778
Silk industry	25,452	25,966
Foodstuffs, etc.	24,939	24,702
Woodworking industry	21,323	20,361
Chemical industry	16,508	15,021
Earth and stone industry	12,935	12,907
Manufacture of paper, leather and rubber industry	12,722	12,575
Graphic arts	12,590	12,121
Embroidery	10,532	11,044
Woollen industry	7,302	6,870
Other textiles	7,110	6,401
Central heating, gas and water appliances	4,047	4,004
Total	364,593	352,932

There is no centralization of manufacturing in Switzerland, although the greatest number of enterprises are to be found in the cantons of Zurich and Berne, followed by St. Gall, Aargau and Neuchâtel, these five cantons between them supporting a third of the country's industrial enterprises.

The secret of industrial success in Switzerland lies in the fact that the tendency is towards a high degree of specialization, backed by well-paid and highly skilled and intelligent labour. This skill is acquired through a careful system of technical education and apprenticeship. Factory plant is modern and well run and compares favourably with anything similar in Canada. With a few unimportant exceptions, household industry which was prevalent at the close of last century has disappeared.

It is of interest to note that in 1926 the average dividends paid by 452 manufacturing companies was 9·04 per cent, while during the same period the average for all undertakings was only slightly in excess of 6 per cent.

The high tariff policy which most countries adopted after the war has caused a certain transference of Swiss industry abroad and many branch factories are now operating in foreign countries.

TEXTILE INDUSTRY

Although it does not occupy the position of relative importance which it did two decades ago, the textile industry is still numbered among the few most important groups and a number of its products are famous throughout the world. Its strength lies in a number of factors, one of the chief among which is the availability of well-trained workers. Manufacturers maintain staffs of skilled designers who keep their employees informed as to new styles and new types of materials and to anticipate the demand of the market. Technical engineers have done much to keep methods of production abreast of the most modern processes and selling methods are efficient and successful.

The climate of Switzerland is such that it is not necessary to resort to artificial humidity, and the use of hydro-electric power in more recent years has been of material assistance in keeping production costs at a moderate level.

As a counter-balance to these advantages is the almost total dependence on foreign countries for supplies of raw material. Both wool and flax of domestic production are unequal to the demands of the woollen and linen industries. No cotton is produced, and only a comparatively small quantity of natural silk. Artificial silk is on a different basis, there being quantities of suitable wood available, though here as well the supply is not equal to the demand.

SILK MANUFACTURING

The Swiss industry was stimulated by the arrival of immigrants from Northern Italy in the middle of the sixteenth century and since that time it has shown a steady growth.

Weaving forms its most important branch and employs approximately 15,000 power looms in over fifty factories. Weaving was formerly undertaken on a large extent in the homes of the people, but the number of hand looms has decreased from over 30,000 at the beginning of the century to less than 1,000 at the present time. Under normal conditions the silk weaving industry employs slightly less than 20,000 workers.

Approximately 90 per cent of the silk production is exported. There are also Swiss looms operating in Germany, France, Italy, the United Kingdom, and the United States. The artificial silk industry has made rapid strides during the past five years, and while its position is secondary in comparison with the manufacture of natural silk, it is growing in importance and it is not improbable that in the future it will eclipse its predecessor. At the present time there are five artificial silk mills all using the viscose process, employing some 5,000 hands and producing about fifteen tons a day.

COTTON AND EMBROIDERY MANUFACTURING

Owing to the severity of foreign competition, the spinning and weaving of cotton has retrogressed during the past twenty years until the present, when there are some 80 spinning mills operating over 1,500,000 spindles and employing approximately 28,000 operatives. The bulk of the thread produced is absorbed by the weaving, hosiery, knitted goods, embroidery and allied industries in Switzerland. As regards weaving, there are some 80 plants with a total of 25,000 machine looms.

The manufacture of embroidery is an important adjunct of the cotton industry, and is also one which has lost ground in the face of outside competition. It is centred in the town of St. Gall. In pre-war days there were some 23,000 looms working on embroidery in comparison with 13,000 in 1920. At present there are roughly 200 manufacturers of embroidery who provide work for 35,000 people.

Other branches of the textile industry include wool spinning and weaving, in connection with which approximately 194,000 spindles and 3,400 looms are employed, the production of linen and also the manufacture of various knitted goods and hosiery.

MACHINERY AND METAL INDUSTRY

The Swiss machinery industry is closely allied with the development of the spinning and weaving industry, while the policy of water-power development and the electrification of the railways has been responsible for the growth of the manufacture of electrical machinery. The most important groups are textile machinery of various sorts—which evolved from work done in repair shops—electrical machinery, steam, gasoline and oil engines, hydraulical appliances, milling machinery, and machine tools. There is also a wide range of specialties and minor lines such as agricultural machines, machinery used in the foodstuffs industry, and embroidery and sewing machines.

Before the war approximately 65 per cent of the output of the Swiss machinery industry was exported, but owing to post-war export difficulties and the improvement in the home market due to electrification of railways and manufacturing plants, the percentage which is exported has now fallen to 55 per cent, the other 45 per cent being absorbed locally.

Aluminium is the only metal produced in appreciable quantities, and it was manufactured in a substantial way even before the war during which its output was strongly stimulated. In addition to raw aluminium, aluminium utensils are produced both of which are exported in substantial quantities. Apart from aluminium, various alloys of that metal and copper, brass and nickel are manufactured.

CHEMICAL AND DYE INDUSTRY

Basel is the centre of the Swiss chemical industry, approximately 90 per cent of the total output being produced in this area. Its most important branch is the manufacture of aniline dyes, dyestuff extracts, and artificial indigo. The dyestuff industry was greatly accelerated during the war owing to the disappearance of German competition and exports of these products, which were commonly supposed to be a German monopoly, rose from 25,000,000 francs in 1913 to 1,236,000,000 francs in 1919.

The production of heavy chemicals may still be said to be in its infancy and is intimately connected with power development. Acids and salts are produced in large quantities, as well as nitrate of calcium, calcium carbide, calcium soda, and caustic soda. Other manufactures are copper sulphate, sulphuric acid, and a number of synthetic fertilizers. In many of these Switzerland is a direct competitor of Canada in the world markets. Of the 315 firms with a capitalization of 223,258,000,000 francs who are engaged in the chemical industry, 24 with a capital of 73,510,000,000 francs belong to the electro-technical branch.

The Swiss chemical pharmaceutical industry, which was established about thirty years ago, began its real period of development at the beginning of the war. Its importance is not due to the number of people engaged in it but rather to the carefully prepared products such as pure chemical salts, vaccines, disinfectants, many lines of patent medicines, toilet preparations and drugs.

WATCH-MAKING INDUSTRY

The manufacture of watches is one of the most characteristic of all Swiss industries and among the general public in foreign countries is perhaps the best known. The making of watches is also typical of the type of industry which does well in Switzerland. They are small in volume, high in value, and require specialized skill in the manufacturing processes. Watchmaking is localized in western Switzerland, having been begun in Geneva during the sixteenth century, from whence it has spread through the Jura region which is now its most active centre. In connection with watchmaking a number of allied enterprises have arisen such as the making of clocks, parts of clocks and watches, jewelry, and gramophones and gramophone parts.

Watchmaking was originally a home industry, but at the beginning of the century the majority of the workers were housed in factories and at present the volume of outside work done is not large although there has been little indication of any attempts to put this industry on a mass production basis. In 1927 the average number of employees in each of the 1,113 watch-making establishments was only 38.

The exportation of watches and clocks and their component parts is from the point of view of value at the head of the list of Swiss exports, and the well-being of the industry is of such national importance that the Government exercises a paternal interest over it. With State assistance a number of institutions have been established for the technical training of the workmen which have done much to maintain the high standard of the product. The Government also maintains laboratories at Neuchâtel and Geneva where precision instruments and the better watches are tested and their accuracy certified. It is also necessary that all watches above a certain grade should bear the Government hall-mark.

The watch industry is also entirely dependent on foreign markets. There has recently been an increase in the exports of parts, but this is not encouraged on the ground that it leads to the strengthening of foreign competition.

FOODSTUFFS INDUSTRY

After the textile machinery and chemical industries, the foodstuffs group comes next in importance. Its chief commodity is condensed milk, followed by cheese, chocolate, and canned fruits and vegetables. The products of all the foregoing are exported in large quantities, while other foodstuffs manufactured for home consumption are flour, sugar, wine and beer.

Of the total production of milk in Switzerland it is estimated that almost 40 per cent is used in the production of condensed milk, about 60 per cent of which is destined for export. Chocolate manufacturing follows condensed milk in importance, there being some twenty chocolate factories giving employment to over 6,000 people.

OTHER SWISS INDUSTRIES

Reference should also be made to the boot and shoe and tanning industry, which produces between 6,000,000 and 7,000,000 pairs of shoes a year, a large percentage of which are sold in foreign countries. Of late French and Czechoslovakian competition has been making itself felt in the shoe industry both at home and in foreign markets. There are some thirty manufacturers of boots and shoes and forty tanneries in Switzerland. No rubber footwear is manufactured.

Although the country is not economically self-sustaining as regards manufactured goods, it has a wide range of industries which as a rule produce quality rather than cheap articles. These include woodenware, brushes, many varieties of paper, lead and tinfoil toys, and earthenware and glass.

HOTEL AND TOURIST INDUSTRY

While it occupies a minor place among the large groups with reference to the number of people it employs directly, the hotel and tourist trade must be reckoned as one of the great industries of Switzerland. Out of the total number of people employed in Switzerland, only 73,206, or 3.95 per cent are engaged directly in this industry, but if it were possible to estimate the number which benefit indirectly the total would be appreciably larger. The influx of tourists provides a large share of the traffic for the Federal railway. While in the country they must be fed and housed and, apart from these three items, considerable sums of money are left behind as a result of tourist purchases. In addition to tourists, Switzerland is the seat of many children's and young people's schools and also sanatoria, all of which belong to *l'Industrie des Etrangers*, as it is called in the French-speaking cantons.

Switzerland owes its prominence as a tourist centre almost entirely to its geographical location and physical features, backed up by efficient publicity and a well-run and organized hotel service, which have caused it to be generally known as "the playground of Europe". The Swiss National Tourist Office and the Federal Railway, both of which have branches and agencies throughout Europe, are the chief mediums of publicity.

In most resorts there are two seasons both winter and summer, with their duration depending on altitude and location. Between these seasons there is always a decided lull, with a falling off in the number of visitors. The principal winter sports centres are in the Grisons, the Bernese Oberland, the Valais, Vaud Alps, and in the Jura.

Swiss hotelkeepers are organized in a society—the Swiss Society of Hotelkeepers, Basel—which places hotels in different categories, maintaining a certain standard for each and generally attending to all matters affecting the general wellbeing of the industry.

Germans form the majority of the tourists who visit Switzerland, followed by English, Dutch, and French and a sprinkling of many other nationalities.

SWISS AGRICULTURE

Switzerland is only to a small degree self-sustaining as far as foodstuffs are concerned. The production of fruits, vegetables, and some dairy products are under normal conditions sufficient for the wants of the home market, but the bulk of the requirements must be imported from abroad. Swiss agriculture has developed along the lines of the small peasant holding rather than the large estate with tenant farmers, and the size of the average farm is only about 22.5 acres. While this system is sound, politically it has its disadvantages from an economic view, and as a result of the mass production of agricultural products in other countries, agriculture in Switzerland has been going through an unhealthy period, which has been made worse by the unsatisfactory conditions prevailing in the dairy industry during the past year.

The physical features of the country preclude its total productivity from an agricultural point of view, and only about 11,400 square miles, or 16.4 per cent of the area, is classified as arable land. In addition, another 39 per cent is made up of Alpine pastures which are the basis of Switzerland's dairying industry.

According to the census of 1920, only 28 per cent of the 1,778,847 persons who are occupied in the various trades and professions are engaged in land improvement, which includes all branches of agriculture. It is considered likely that the census of 1930 will show a decrease in the relative position as has been the case during the past thirty years, during which agriculture has lost ground

in favour of industry and trade and commerce. In 1900 out of every 1,000 persons who were engaged in gainful occupations, 321.7 were classified as agriculturists, while in 1910 this number had fallen to 274.6, and in 1920 to 265.8.

CEREAL CROPS

The area available for the production of coarse grains is already well exploited and the yield per acre is also high. Hence Switzerland will always remain heavily dependent on foreign countries for supplies of cereals.

The following table gives particulars about the domestic production of the principal cereals in 1914 and 1926 and 1927:—

Area under Cultivation in Acres

	Wheat	Spelt	Rye	Barley	Oats	Corn
1914	86,512	39,143	37,851	17,146	63,559	4,403
1926	133,545	33,937	55,615	16,148	50,532	3,331
1927	133,681	33,939	55,845	16,062	50,038	3,309

Production in Metric Tons

	Wheat	Spelt	Rye	Barley	Oats	Corn
1914	72,400	29,300	27,800	13,200	57,400	5,000
1926	115,500	31,600	46,100	12,300	45,100	3,300
1927	118,100	31,000	46,300	12,200	41,800	3,900

Production per Acre in 100 Pounds

	Wheat	Spelt	Rye	Barley	Oats	Corn
1914	18.46	16.50	16.15	16.95	19.89	25.07
1926	19.09	20.52	18.20	16.77	19.62	21.85
1927	19.45	18.29	16.77	16.77	18.20	25.96

As the quantities of grain exported from Switzerland are negligible, the consumption and the extent of the reliance on imports may be judged from the following table which gives figures for 1927 in metric tons:—

	Wheat	Spelt	Rye	Barley	Oats
Production	118,100	31,000	46,300	12,200	41,800
Imports	452,580	n.o.p.	1,236	69,547	148,134
Consumption	570,680	31,000	47,536	81,747	189,934

Before the war Russia was much the most important supplier of wheat to the Swiss market, but this position is now occupied by Canada, followed by the United States and the Argentine Republic. Overseas grain for Switzerland is consigned to Rotterdam and Antwerp, from whence it is transported by barge up the Rhine to Basle.

LIVE STOCK INDUSTRY

Dependence on imports for supplies of live stock is not as marked as is the case with cereals, although the demand is in excess of domestic production.

On April 21, 1926, it was estimated that there were in Switzerland 139,668 horses, 1,587,399 cattle (of which number 875,874 were milch cows), 637,098 head of swine, 169,723 sheep, and 289,258 goats. A survey of the number of animals kept, which takes in a period of fifty years, reveals an increase in all except sheep and goats. Compared with 1876, horses have increased by 39 per cent, cattle by 58 per cent, swine have more than doubled, while sheep have decreased from 447,001 and goats from 375,482. There are distinct limitations to the numbers of live stock for which there is room, and increase can only be secured by attention to breeding and the importation of feedstuffs.

In addition to raising animals for meat and for other domestic uses, some attention has been paid to the breeding of pedigree cattle for export purposes, and this branch of the industry has now attained some importance. Horse breeding is likewise an industry of value.

FUR-FARMING

The breeding of silver foxes and other fur-bearing animals is a Canadian industry which is well adaptable to Switzerland, and it has already secured a firm foothold with a total of twenty farms housing over 1,000 silver foxes in addition to blue foxes, mink, marten, raccoon, skunk and opossum and other small animals.

Climatically and geographically, Switzerland is in an excellent position as a fur-breeding country. Almost every altitude and range of temperature can be had, while it is surrounded by countries all of which are good markets for pelts. The beginning of the industry only goes back five years, at which time a few pairs of breeders were imported from Alaska. The pioneers were enthusiasts, however, and since then rapid strides have been made, and those engaged in the industry are hopeful that Switzerland may be to Europe what Prince Edward Island is to Canada as regards the fox industry.

Switzerland has now reached such a point of development that it will from now on be not only a market but also a competitor. Swiss breeders state that from the present season's litters they have twenty or thirty pairs available for export.

The first Swiss exhibition of fur-bearing animals was held at Zurich in November, 1928, and its promoters believe that it was entirely successful. Its object was to popularize animal raising, and also to convince the public of the good quality of pelts which can be raised in their own country. It is reported that the prices asked for silver foxes ran from \$1,000 to \$1,600 per pair; blue foxes from \$480 to \$800 a pair; mink (according to origin), \$240 to \$400 per pair; and raccoons (according to the colour of the fur), from \$400 to \$600 per pair.

For the purpose of furthering the interests of the industry in general, the Swiss breeders have formed the *Zchweiserische Verband für Pelztierzucht* (Swiss Union of Fur-bearing Animal Breeders); the address is *Stapferstrasse 16, Zurich*, and the secretary is the professor of animal husbandry in the University of Zurich. This association keeps a herdbook in which animals are registered. It also sets different standards to which they must conform, and has undertaken to see that no inferior animals are introduced into the Swiss industry or sold; and in general its function and endeavour is to maintain the breeding of fur-bearing animals on a high plane and to ensure that buyers get only the best. It is also its intention in the near future to begin the publication of a periodical dealing with the breeding of fur-bearing animals from the Swiss point of view.

While the Swiss industry has grown and foundation stock for new establishments will to a certain extent be purchased locally, Switzerland must still remain one of Canada's best markets in Europe and warrants the closest attention. A certain amount of new blood will at all times be necessary, and there are also buyers who will prefer to make their initial purchases abroad.

A list of the names and addresses of fur-bearing animals farms in Switzerland has been supplied to the Department of Trade and Commerce, Ottawa, and a copy may be obtained by those interested in quoting file 11192.

LEGISLATION RELATING TO FUR-BEARING ANIMALS

A Swiss decree, effective on March 15, prohibits the importation of fur-bearing animals into Switzerland unless accompanied by individual import licenses issued by the Swiss Federal Veterinary Office. The animals must have accompanying official certificate of health or origin, stating that they are from a district where no contagious diseases have been found among similar animals during forty days preceding shipment. They are also subject to compulsory veterinary inspection at Swiss frontier at a charge of 3 francs per animal.

These certificates should be issued by an official appointed by the competent authorities in the exporting country. It appears that these certificates are usually supplied by veterinarians in the districts where the animals are exported or by "prefectures". The main point is that the certificate should have an official character. The Federal Bureau does not specify that any particular forms should be used. It was pointed out that the object of the legislation is to prevent the importation of inferior stock.

DAIRY PRODUCTS

Products which are the derivatives of milk are the most important foodstuffs entering the Swiss foreign trade. A moderate climate with frequent rains and an abundance of pasture land which produces good grass are all conducive to the success of the dairying industry. Available resources are all well made use of, however, and consequently the production of milk is not likely to show any appreciable increase in the future.

The total production of milk in 1927 was 2,698,000 metric tons, of which 88,000 metric tons were from goats. Of the former quantity, some 700,000 tons were consumed on the local market, approximately 1,105,000 tons were used for the manufacture of condensed milk and similar preparations, 784,000 tons went to manufacture cheese, while the balance was used for butter and by the chocolate industry. Condensed milk, cheese, and chocolate—particularly the first two—are all exported in substantial quantities, but the production of butter has never been equal to the domestic demand, although steps are now being taken to endeavour to increase the yield. The cheese trading is done through special exchanges at Zürich, Berne, St. Gall, Lucerne, Langenthal, and Berthoud. The principal types manufactured are Emmenthal and Gruyère.

ROOT CROPS

Potatoes is the most important of the root crops, but despite a tendency for the acreage to increase, the supply is not equal to the demand except in the years when the crop is exceptionally good. In 1927, 118,361 acres of land planted in potatoes yielded 695,000 tons, or 5.87 tons per acre.

In addition to potatoes, other roots which are grown are sugar beets, 50,000 tons of which were produced in 1927, and other beets which are used for fodder. During the war the production of sugar beets received a stimulation owing to foreign supplies of sugar being cut off, but with the return of normal conditions the production of beet sugar has declined.

TOBACCO

The growing of tobacco is one of the minor branches of Swiss agriculture, and the successful cultivation of the plant is confined to the cantons of Vaud and Fribourg, in the eastern part of the country. Both the area under cultivation and the yield show a tendency to decline, the acreage having fallen from 618 acres in 1914 to 148 acres in 1927, and the production from 370 metric tons to 115 metric tons. Between the same years, however, the yield per acre increased from 132 pounds to 171 pounds.

Domestic tobacco is not of the highest quality, and in any case consumption is greatly in excess of production, which necessitates that the bulk of the requirements be imported. In Switzerland tobacco is consumed in the form of cigars, cigarettes, and as pipe-smoking mixtures. Cigars are the most popular, but the use of cigarettes and pipes is increasing.

OTHER AGRICULTURAL PRODUCTS

Fruit-growing is a branch of agriculture which is of some importance in Switzerland, and under normal circumstances there is an exportable surplus, particularly of apples, which competes with the overseas product in the European market. The volume of the crop, however, is insignificant and it is subject to great fluctuations. In addition to apples, pears, plums, and cherries, various small fruits are grown. It is estimated that there are between 12,000,000 and 13,000,000 fruit trees in the country, and the average harvest during the five-years' period from 1918 to 1922 is stated to have been 15,215,600 cwt.

Grapes are also cultivated to a limited extent: in 1927 there were 34,349 acres under vine cultivation and a crop which was valued at 30,698,000 francs. The western part of Switzerland, and particularly on the north shore of sunny Lake Geneva, is the most suitable for this purpose. From the grapes an excellent wine is produced, but it is equal to only a fraction of the requirements of the country. The production of grapes is on the decrease owing to severe competition from Germany, Italy, and France.

Apart from fruit, vegetable raising and market gardening is well established, and this, together with the extensive fruit crop, is the basis of a canning and jam manufacturing industry which makes an excellent range of products that are widely exported.

III

Foreign Trade

Approximately 72 per cent of Switzerland's foreign trade is with Europe, 17 per cent with North and South America, 6 per cent with Asia, 3 per cent with Africa, and 2 per cent with Australasia. With Europe, Africa, and the Americas the balance is as a rule unfavourable, while with the other two continents it is favourable. The total balance of visible trade is invariably against Switzerland. In 1928 its aggregate value was 4,879,116,000 fr. in comparison with 4,587,044,000 fr. in 1927 and 3,296,215,000 fr. in 1913. Of the 1928 figure, 2,744,680,000 fr. represent imports and 2,134,436,000 fr. Swiss exports. Imports and exports from and to the leading countries in 1927 and 1928 in thousands of francs were as follows:—

Countries	Imports		Exports	
	1927	1928	1927	1928
	In Thousands of Francs			
Germany	541,741	623,932	397,896	387,206
France	474,693	490,832	135,196	156,579
United States	220,360	243,859	209,647	195,299
United Kingdom	189,318	226,383	309,523	305,997
Italy	225,551	199,944	115,333	140,589
Canada	88,708	101,214	41,602	40,457
Czechoslovakia	78,257	95,339	48,840	53,007
Belgium	88,745	94,334	33,683	42,927
Argentina	81,777	80,686	34,278	38,419
Egypt	58,553	60,421	12,329	15,722
Other countries	516,131	527,736	684,923	758,234
Total	2,563,794	2,744,680	2,023,250	2,134,436

Imports and exports of commodities in main groups during 1928 were as follows:—

Articles	1928	
	Imports	Exports
Thousands of Francs		
(A) Raw materials—		
1. Textile industry:		
Silk	144,130	53,395
Cotton	96,152	6,568
Wool	56,077	17,948
Other	15,787	884
2. Metal industry:		
Coal	133,587	.....
Iron	91,310	14,373
Other base metals	73,894	27,240
Precious metals	97,395	30,083
3. Other industries	253,922	63,408
(B) Manufactured goods—		
1. Textile industry:		
Silk	52,882	301,761
Cotton	112,808	269,966
Wool	128,623	53,915
Other	73,691	55,179
2. Metal industry:		
Iron	235,607	296,335
Other base metals	71,679	146,201
Precious metals	14,514	8,878
Clocks and watches	5,840	300,437
3. Other industries	378,786	269,618
(C) Foodstuffs—		
Products of the soil	437,300	15,359
Animal products	129,856	151,162
Colonial products, delicacies, etc.	140,840	51,726
(A) Raw materials	962,254	213,899
(B) Manufactured goods	1,074,430	1,702,290
(C) Foodstuffs	707,996	218,247
Grand total	2,744,680	2,134,436

Taking the imports in more detail, cereals at 267,210,000 fr. is the most important single item. The other principal commodities are cotton, silk, minerals, wool, iron, colonial wares, foodstuffs of animal origin, chemicals, and precious metals.

As far as exports are concerned, silk, including manufactures of silk, are well at the head of the list with a value of 334,782,000 fr. Watches come next with 270,661,000 fr., followed by cotton and cotton goods at 266,681,000 fr., machinery at 232,783,000 fr. and foodstuffs of animal origin at 148,152,000 fr. All other commodities have much smaller values.

DISTRIBUTION OF TRADE

Germany holds the premier position among the countries with which Switzerland trades. In 1928 nearly 23 per cent of the total imports came from that country, while slightly in excess of 18 per cent of all exports found their way into Germany. Swiss-German trade is principally an exchange of manufactured goods, although a substantial proportion of the imports are made up of raw materials. The principal products imported from Germany consist of coal, iron and other metals, textiles, chemical products, and machinery.

Trade with France shows a heavy adverse balance, with imports of French goods coming close to 18 per cent of the total, while exports of Swiss products to France are equivalent to but slightly more than 7 per cent of all Swiss exports. Imports of manufactured products from France are subordinate to raw materials, while exports are 80 per cent finished goods. Among the principal manufactured imports from France are textiles, chemicals, automobiles, machinery, and leather goods.

With the United Kingdom the position is reversed. Almost twice as many Swiss goods are sold there as British goods in Switzerland. In 1928 only 8.25 per cent of Swiss imports were of British origin, whereas well over 14 per cent of Switzerland's total exports went to the British market. The United Kingdom exports to Switzerland such articles as cotton yarns and fabrics, woollen goods, hemp, jute and linen articles, metals, and hides and skins.

Commercial intercourse with Germany, France and the United Kingdom accounts for approximately 45 per cent of Switzerland's foreign trade. Again using the 1928 figures as a basis, 48.86 per cent of Swiss imports came from these three countries, who also consumed 39.82 of Switzerland's exports.

With the exception of Italy, Swiss trade with other European countries is comparatively small. In Africa the only country with a substantial cipher is Egypt, which is accounted for by imports of raw cotton. Beyond these two the only instances where values are large are in the case of the United States, Canada and the Argentine.

TRADE WITH THE UNITED STATES

Commerce between Switzerland and the United States is very diversified and is made up of a wide range of commodities. Among the imports, however, there are a few which stand out as the most valuable. These include wheat, raw cotton, copper bars and blocks, and gasoline. In 1928 total imports from the United States were valued at 243,859,000 fr. in comparison with 220,360,000 fr. in 1927 and 117,898,000 fr. in 1913. The first figure was 8.89 per cent of all the imports. Watches have the highest value of all Swiss products exported to the United States, and cheese is not far behind. Others include embroidery, fine textile goods, leather articles, shoes, silk, straw ware, and aluminium. Exports to the United States represent 9.15 per cent of the total exports for 1928, and stood at 195,299,000 fr. compared with 209,647,000 fr. in 1927 and 136,432,000 fr. in the year before the war.

TRADE WITH CANADA

There is an extremely wide divergence between both the value and volume of Swiss-Canadian trade as viewed through the trade statistics of each of these countries. According to Canadian figures, exports to Switzerland in 1928 came to only \$518,192 or the equivalent of approximately 2,000,000 fr., whereas in the Swiss statistics imports from Canada for the same period are placed at 101,214,000 fr. This is due to the fact that very little Canadian merchandise is exported to Switzerland on through bills of lading, but instead it finds its way into the country via London, Rotterdam, Antwerp and French ports.

As regards Swiss exports to Canada, the statistics of the two countries are here in almost complete agreement and in 1928 showed a value of 40,457,000 fr., which was roughly a million francs less than in 1927 but compared favourably with 30,965,000 fr. in 1913.

It is only since the war that Canada has occupied the position which she now holds as one of the leading nations from which Switzerland buys. The figure representing Canadian imports in 1913 was only 19,847,000 fr., in comparison with the very substantial sum of 101,214,000 fr. in 1928, which placed the Dominion in sixth place among the countries of origin of imported merchandise. While this very marked rise in position is in some measure due to the development of Canada's resources and the increased output of Canadian factories, the principal cause is the disappearance of Russia as a grain-exporting nation. Prior to 1914 the Russian Empire was the principal purveyor of Switzerland's wheat requirements, but this position is now held by Canada and wheat accounts for 90 per cent of our exports. Oats and barley account for

the better part of the remaining 10 per cent, while the other more important articles on the list are fish, living animals, tire casings, photographic apparatus, lead, aluminium, and glycerine. Apart from these there are a variety of other commodities which complete the total. Their value is, however, comparatively small. The imports in detail into Switzerland from Canada in 1928 and 1927 were as follows:—

	1928		1927	
	Kg.	Francs	Kg.	Francs
Wheat.	285,324,400	90,784,812	246,716,949	83,631,715
Oats.	12,381,600	3,209,011	2,442,105	583,896
Barley	14,739,800	3,647,799	5,207,360	1,391,840
Oatmeal	127,900	54,754	.....	.....
Dried fruit	5,200	11,040	.....	.....
Honey	700	869	466	609
Fish, n.o.p.	239,700	330,177	136,291	190,810
Cheese	108	362	51	164
Foodstuffs, n.o.p.	4,600	10,356	409	1,530
Canned fruit, confectionery, etc.	21,429	133,320	14,817	100,420
Animals (units)	197	239,125	17	3,450
Hides and skins, raw and prepared.	241	178,297	240	107,370
Leather products	40	1,389	24	582
Footwear supplies.	473	1,845	220	1,000
Footwear, leather (pairs)	198	2,798	113	1,933
Footwear, n.o.p. (pairs)	2,087	12,912	386	1,573
Gloves	30	3,362	.....	.....
Malt	1,470	190	.....	.....
Grass and clover seed	21,523	46,679	13,780	16,700
Fodders	9,889	2,800	.....	.....
Deciduous wood	6,712	1,358	1,672	600
Pine	86,927	19,970	.....	.....
Manufactured woodenware, n.o.p.	372	749	.....	.....
Paper, wrapping, printing, writing	58,584	37,512	66,609	43,515
Wallpaper	4,271	8,630	.....	.....
Yarns.	676	960	.....	.....
Animal hair	1,800	11,190	1,907	13,810
Rubber hose and tubes	26,817	184,420	22,011	118,005
Rubber sheets and mnfrs., n.o.p.	207	1,627	.....	.....
Manufactures of wool, n.o.p.	41	1,144	10	346
Ladies' clothing of wool, silk, etc.	32	1,629	11	822
Furs, n.o.p.	5	760	.....	.....
Asbestos and mica	105,593	45,685	142,831	68,762
Electrodes, n.o.p.	20,643	8,100	.....	.....
Photo apparatus.	31,505	510,825	14,454	317,776
Agricultural implements	9,167	20,574	11,529	28,469
Manufactured iron products, n.o.p.	325	4,787	161	2,285
Manufactures of copper	4,933	35,811	3,124	20,420
Lead in bars	199,798	108,291	448,046	272,373
Manufactures of aluminium	50	580	11	123
Druggist supplies	53	3,137	20	3,700
Glycerine	1,247,120	708,822	780,590	462,696
Office equipment	63	575	13	130

Swiss exports to Canada consist of a much wider range of products than is the case with imports. The former are almost all highly manufactured goods which are characteristic of Switzerland. The Swiss trade statistics list separately well over 200 different items. The most important of these is silk piece goods, which in 1928, out of total exports to Canada of 40,457,000 fr., accounted for 8,484,462 fr. Following silk goods come parts for the manufacture of watches and watches, the former with a value of 4,668,594 fr. and the latter 2,151,101 fr. The other principal articles together with their values are curtains and hangings (1,297,567 fr.); novelties and fancy dress articles (1,816,048 r.); undyed artificial silk (1,012,487 fr.); silk ribbons (1,527,166 fr.); trimmed hats (1,677,992 fr.); manufactures of wool (537,989 fr.); non-technical manufactures of aluminium (303,399 fr.); knitting machines (113,719 fr.); electrical machinery and transformers (336,072 fr.); phonographs, cinematographs, etc. (138,022 fr.); aniline, naphthaline, etc. (1,244,450 fr.); and haberdashery (226,077 fr.).

IMPORTS OF GRAIN AND MILLED PRODUCTS

Wheat.—The domestic production of Switzerland is not sufficient for more than a quarter of the country's requirements, which are in excess of half a million metric tons annually. As has already been stated, wheat is Canada's leading export to Switzerland, which in 1928 amounted to approximately 70 per cent of its total wheat imports. During the same year wheat was imported from twelve different countries, but from six of these the quantities involved were small and were little more than frontier transactions. The principal exporting countries, together with the quantities supplied by each in metric tons, with the value in thousands of francs, were:—

Country	Metric Tons	1,000 Francs
Hungary	5,065	1,391
Russia	3,988	1,285
Canada	285,324	90,785
United States	117,121	34,551
Argentina	40,915	12,054
Australia	3,337	1,091
Total	458,140	141,787

While there was little change in the weight of the wheat imports in comparison with 1927, the value showed a decline from 149,147,650 fr., the average price in 1927 having been 32.95 fr. per 100 kg. and 30.95 fr. in 1928. The average value of Canadian wheat during the latter year was 31.82 fr. in comparison with 29.50 fr. for the United States, 32.23 fr. for Russia, and 29.46 fr. for the Argentine Republic.

The Swiss bakers use hard wheat flour, and for this reason the chief grades imported from Canada are No. 2 and 3 Manitoba, which are used for mixing with soft domestic and other imported wheat.

The monopoly held by the Government of Switzerland to import wheat, introduced as a war measure at the beginning of 1915, has now been repealed by a referendum held on March 3. The majority favouring the repeal was approximately two to one.

The constitutional amendment abolishing the wheat monopoly provides at the same time State aid for wheat growers. The principal features of this aid are the formation and maintenance by the Government of reserve supplies of wheat, the acquisition of home-grown wheat by the Government at a guaranteed price in excess of the world market level. The State will also attend to the selling of this wheat to the millers, the paying of milling premiums, and the protection of the national milling industry against foreign competition.

In order to meet the cost of the wheat scheme, the Swiss people on the same date accepted the Federal Law of September 27, 1928, whereby the statistical fee payable on all goods crossing the Swiss frontier is to be raised from the present 2 centimes per 100 kilogrammes as at present to 5, 10, and 30 centimes according to the class of goods. The total revenue from the increased statistical fee will, it is estimated, be 13,000,000 francs, which will leave an estimated surplus of 10,000,000 francs.

For a considerable time the Swiss have been concerned at the comparatively small amount of wheat which is grown in Switzerland. Estimates place this at only one-eighth of the total consumption, and there is some anxiety not again to expose the country to the bread shortage from which it suffered during the war. In order to encourage Swiss farmers to grow wheat the Government will now undertake to buy any quantity of home-grown wheat at a guaranteed figure which will be above the price ruling in the world market. Wheat so

acquired by the Government will be sold to the millers at the price current in the world market, and the Government will devise machinery to prevent millers from asking excessive prices of the bakers. The cost of this new policy is estimated at approximately 12,000,000 francs, which, as stated, will be met by the approximate present income of 2,000,000 francs from the existing statistical duties plus the estimated 10,000,000 francs to be secured from the increase.

The monopoly is to be abolished and the new scheme to come into effect on June 20, 1929.

Oats.—In 1928 Switzerland imported oats weighing 132,521 metric tons with a value of 34,686,390 fr. The average value per 100 kg. was 26.17 fr. The Argentine was the largest supplier with 47,070 tons at 12,265,992 fr., followed a close second by Germany with 45,392 tons at 11,745,427 fr. Canada took third place with 12,382 tons at 3,209,011 fr. Czechoslovakia, France, Chile, and Algeria followed in the order named.

Barley.—Imports of barley in 1928 came to 81,560 tons with a value of 21,977,359 fr. Roumania was the largest supplier with 26,257 tons valued at 7,090,919 fr., while Canada came second with 14,739 tons valued at 3,647,799 fr. The United States is credited with 11,701 tons, and substantial quantities were also imported from Poland and France in addition to Czechoslovakia, Argentina, Algeria, and Morocco. The Canadian imports were of feeding qualities and had the lowest value on the scale with an average of but 24.75 fr. per 100 kg. In comparison with this, American barley is placed at 24.96 fr., Roumanian at 28.21 fr., Chilean 38.91 fr., while small quantities from Italy and Sweden brought even higher prices.

Other Cereals.—Switzerland is not a large consumer of rye; the people are used to a white bread diet. In 1928 imports were 300 tons, although in 1927 they were larger with 1,236 tons. The Argentine is the most important supplier. Imports of corn average well over 100,000 tons a year, most of which comes from the Argentine. Most of the malt used is Czechoslovakian.

Rolled Oats and Oatmeal.—Purchases under this heading rose from 761 tons with a value of 336,163 fr. in 1927 to 1,326 tons at 602,589 fr. Of the latter quantity, 689 tons came from the United States, 395 tons from Germany, 128 tons from Canada, and 80 tons from the United Kingdom. Smaller quantities originated in Holland and France.

Flour.—The Government wheat monopoly, which has been in effect since 1915, also included flour, and the authorities alone had the right to import. The Government's policy, however, has been to fully employ the domestic mills, and hence the quantity of flour brought in has been negligible. In 1928 this totalled 354 tons with a value of 179,369 fr. France supplied 172 tons, Italy 116 tons, and Germany 52 tons. Although the wheat monopoly is shortly to be repealed, the domestic milling industry will continue to receive protection and Switzerland must therefore be passed by as a flour market.

There are forty-two Swiss mills which are listed as large establishments. The more important of these are located in Basle, where they are in a favourable position to receive grain cargoes via river barge.

FRESH AND DRIED FRUIT

Switzerland is both an exporter and an importer of fresh apples. In 1928—which was a year with only a mediocre crop—1,741 tons were exported with a value of 777,635 fr. France, Germany, Italy, and Denmark were the prin-

principal countries of destination. Imports totalled 2,775 tons worth 2,204,455 fr. Of this quantity 1,927 tons came from Italy, 276 tons from France, 127 tons from the United States, and 118 tons from Australia. Canada is credited with 250 kilograms valued at 320 fr.

There is a fair demand for dried and evaporated apples, which depends to a large extent on price and volume of the domestic crop. Both rings and quarters are in demand. The bulk of the trade is in the hands of the United States, which in 1928 supplied 614 tons out of a total of 655. The values were 1,179,734 and 1,254,373 fr. respectively. In the same period Canada supplied slightly in excess of 5 tons at 11,040 fr. Imports of both dried and fresh apples are to a large extent indirect.

CANNED GOODS

In the Swiss trade statistics Canada is mentioned as the country of origin of small quantities of "other canned goods", canned meat, canned fruit, food-stuffs n.o.s., and preserves and luxury food products, but the designations are not specific enough to make a study of the figures of much value. The demand for canned goods, however, covers a wide range of products which, apart from the high standard of living, is stimulated by the heavy requirements of the hotel industry.

There are a number of domestic canning factories which pack all the ordinary kinds of vegetables and small fruits and a portion of this pack is exported. A survey of retailers' shelves indicates that the principal foreign canned goods on display are salmon, sardines, pilchards, lobsters, pineapple, peaches, pears, asparagus, peas, beans, tomatoes, and corn. Of these, peas, beans, and asparagus are the only ones which are produced in Switzerland.

Vegetables.—The only Canadian canned vegetable noticed in Switzerland was corn; the quantities were small. This is a vegetable which the Swiss do not know; the demand is created almost entirely by resident Americans and American tourists.

Of all preserved vegetables, asparagus is the most popular, and the per capita consumption is without doubt the highest. Apart from the domestic product, the market is divided between the Germans, Americans, Belgians, and French, but there is room for any Canadian brand which can compete in price and quality.

France is the principal competitor in such products as peas and beans, but the United States has also a small share of the trade.

Fruits.—The United States sells more canned pineapple in Switzerland than any other fruit. Following pineapple come peaches, apricots, and pears. The use of pineapple is increasing and heads the list as far as imported fruits are concerned, and in addition to the Americans, Singapore packers are in the market.

Salmon.—Canned salmon is the product which is the most interesting of all the canned goods to Canada and is the article in which the largest volume of business can be done in Switzerland. No exact figures are available regarding the extent of the market, but it is estimated that the annual consumption is somewhere between 1,500 and 1,700 cases. This small figure is due to the fact that the Swiss are not as a nation eaters of fish. The unpopularity of fish with the mass of the people has been caused by high prices and the impossibility until recently of getting good fish owing to the distance of the country from the sea.

As far as canned salmon is concerned, there are two other contributing factors, the one of which leads to the other. In the first place, its sale has never been energetically pushed; and in the second place, its food value and the uses to which it can be put are not known. Canned salmon has only one common use. It is eaten cold with mayonnaise sauce as a salad, and this necessarily limits its sale. Hotels and restaurants are the largest consumers.

The great majority of the exporters lack direct representatives in Switzerland, and the country has been overlooked because of the much better markets which exist in neighbouring countries such as Italy, France, and Belgium. Agents in these, who also cover Switzerland, have not given it the proper attention owing to the greater ease with which business could be secured elsewhere.

Retailers, even the largest, carry very small stocks, which may consist of only ten or twelve cans. The purchase of such small quantities is facilitated by agents in Antwerp and other ports who make franco quotations per one dozen tins and who extend liberal credit terms to their customers. In direct trading, this same credit must be granted by either the Swiss agent or the exporter.

Pink talls are the principal variety in demand. The sale of chum is small owing to the light colour, which is not liked, while the difficulty in the way of the more expensive brands is price, although fair quantities of Alaska reds can be seen.

The establishment of a successful brand of canned salmon is an important factor in selling it in Switzerland. This is particularly the case as regards the retail trade, where one American label has already succeeded in strongly entrenching itself. Siberian competition has not as yet made itself felt.

The use and consequently the sale of canned salmon in Switzerland can be increased, but active measures must be taken to educate the consumer demand. It has been suggested by dealers that all orders should be accompanied by recipe books printed in French or German and any such publicity material which may be available. A campaign is already under way to induce the people to use more fresh fish, and if this is successful it should be reflected in canned salmon sales. In addition, good Swiss selling agents are wanted, who will push the product by personal visits to dealers and consumers.

Other Fish.—Canadian sardines have made a start in the Swiss market, and circumstances seem propitious for increased sales in the future when greater quantities are available. French sardines are the most popular, followed by the Portuguese and Norwegian brands. The per capita consumption, however, is small. Californian sardines are also sold, and according to the United States Department of Commerce, direct exports were valued at \$4,114 in 1928. Other canned fish sold includes quantities of mackerel, herring, and tuna fish.

Lobster.—The sale of canned lobster in Switzerland is limited to one brand which is imported via England, is well known, and sells by the label. Business is restricted by the high initial price and high rate of duty. All these factors make importers loath to attempt to introduce new brands. Canned crabs are also imported, but the quantity is smaller than that of lobster.

FRESH, FROZEN, AND CURED FISH

As already alluded to in the notes regarding canned salmon, the Swiss are not a nation of fish-eaters, and even a large Roman Catholic population does not make itself felt in this respect as it does in other countries. Consequently the demand for all fish, fresh and otherwise, is small.

During recent years, however, steps have been taken to try and develop the market. Special refrigerator cars for the carrying of fish are being run by

fast train from Ymuiden in Holland and Cuxhaven in Germany, and in conjunction with this service importers are carrying on an extensive "eat more fish" advertising campaign. It is too early to be able to attribute any appreciable results to this, but it will without much doubt have some effect, even although it may not be great.

The Swiss trade statistics show that imports of what is classified as "fresh water fish", fresh or frozen, came to 642 tons in 1928 with a value of 2,241,408 fr., both of which figures were slightly in excess of those representing the same imports in 1927. Germany supplied more than half, or 398 tons, followed by France and Denmark with 76 and 62 tons respectively. In the same column Canada is credited with 25 tons valued at 78,446 fr., and the United States follows with 10 tons at 34,316 fr.

Both of these probably represent frozen salmon, for which a fair demand exists, and the trade in which Canada is now participating to an increasing extent. The present consumption of frozen salmon is estimated as being approximately an average of 600 cases per annum. Steelheads are the only variety in strong demand. Some Siberian frozen salmon has been purchased via London, but it was not well received on account of yellow colouring.

As is the case with canned salmon, the trade in frozen fish is to a large extent in the hands of importers in Boulogne, Antwerp, Rotterdam, and London, which, while it has its advantages, tends also to act as a restrictive influence. The difficulty is that there are few Swiss import houses which are in a position to import frozen salmon in any quantities.

The large consumers are the hotels, and for this trade there will always be a good future for imported salmon, but before it is used to any extent by the general public, the educational campaign referred to above must make itself felt to a greater extent than is the case at present.

The demand for eels is small, and it is met by imports of the smoked variety from Germany.

In addition to the so-called freshwater fish, 38 tons of fresh or frozen sea fish were imported. Germany supplied nearly half of this quantity, and most of the remainder came from France and Holland.

DAIRY PRODUCTS

Switzerland is an exporter rather than an importer of dairy products with the exception of butter, the domestic production of which is insufficient; a quantity in excess of 800 tons is imported annually. In 1928 the figure was 819 tons with a value of 35,258,580 fr., making an average price of 430 fr. per 100 kg. Denmark was the largest supplier with 452 tons, followed by France with 202, and by the Argentine and Italy. There was also a small shipment from Australia. If a surplus of butter were available in Canada, the Swiss market would be worth studying.

Imports of cheese when compared to exports are insignificant and are confined to types not made in Switzerland. Among these were 100 kg. of Canadian cheddar with a value of 362 fr.

PACKING HOUSE PRODUCTS

As a market for meat products Switzerland is not of much interest to Canada. Fair quantities of fresh meat are imported from adjoining countries, some frozen beef from South America, and cured meats from a larger number of countries. Imports of hams in 1928 totalled 332 tons, 163 of which came from Germany, followed by Italy, Czechoslovakia, and Holland in the order named. The United States was a contributor to the extent of $6\frac{1}{2}$ tons.

Cured meats other than hams, among which is included bacon, came to 215 tons, valued at 638,994 fr. Here again Germany was the largest supplier, with Italy and Holland slightly in the rear. Denmark sent 2 tons, and the United States 14.

There is an irregular export of casings from Canada. Lard comes principally from the United States and Holland.

HONEY

There is a good demand for honey in Switzerland, which is subject to certain fluctuations depending on the extent of domestic production. Dark-coloured honey is preferred and, apart from table use, bakers and confectioners are heavy consumers. There is also a market for light-coloured clover honey. Imports of honey in 1928 totalled 520 metric tons valued at 864,427 fr. The sources of supply, together with quantities, were as follows:—

Country	Kilos	Fres.
France	101,703	279,373
Hungary	37,110	81,268
Jugo-Slavia	21,497	45,706
United States	119,436	151,471
Mexico	52,409	51,400
Central America	48,335	67,981
Cuba	17,942	18,725
Chile	83,997	95,399

Canada's contribution was only 716 kg. valued at 869 fr. This figure can easily be increased if Californian price competition can be met. Other countries which exported small quantities to Switzerland are Jamaica, Brazil, the Argentine, Russia, Italy, and Germany.

MISCELLANEOUS FOOD PRODUCTS

Sugar.—Canadian refined sugar has been exported to Switzerland, but of recent years there have been no shipments. The consumption of sugar is heavy on account of an important established confectionery industry which manufactures for export.

Imports in 1928 were 125,351 tons at 50,565,087 fr. Czechoslovakia and Belgium were the largest contributors with 73,497 and 24,204 tons respectively. France, Holland, Hungary, Central America, and the Dutch East Indies are also noticeable. Some 230 tons came from the United States.

Confectionery.—The confectionery market is a very restricted one and is confined to cheap candies or more expensive specialties. Chewing gum is becoming more commonly used, but new brands need advertising.

Beverages.—Canadian rye whisky sells fairly well in Switzerland, particularly among the tourists, a substantial proportion of whom are Americans. There is room for a Bourbon whisky, which is popular with the latter.

Miscellaneous.—Canadian tomato sauce is commonly seen. English jam and preserve manufacturers do some business in internationally known brands. In biscuits, European and domestic competition is sharp. American breakfast foods are sold in the better-class stores and the more expensive hotels all feature them.

Swiss foodstuff importers are always interested in investigating new lines of specialties which might be introduced into the market and welcome inquiries regarding these.

SPORTING GOODS

As the playground of Europe which is visited annually by an increasing number of tourists and vacationists, Switzerland is a market for sporting equip-

ment which merits more than passing notice. This is particularly the case with winter sports, which have increased in popularity during the past few years due to winter Olympic games having been held in Switzerland and to well-directed propaganda in other European countries. Austria, Germany and, to a lesser extent, Scandinavia are now all competitors, but there is little likelihood of Switzerland being displaced from the leading position which it now occupies.

Ski-ing is easily the most generally indulged in pastime and, apart from foreign visitors, the Swiss themselves are enthusiasts. Among the young and even middle-aged there are few who do not participate, and over week-ends and on holidays from such cities as Zürich there is an exodus of skiers bound for the mountains. In more fashionable resorts the season usually begins about Christmas-time and lasts until the beginning of March, giving about two and a half clear months. By going to higher altitudes, however, it is possible to extend the period considerably by beginning earlier and carrying on into May and June.

No definite data are available as to the origin of skis sold in Switzerland, but domestic manufacturers have the bulk of the trade, which is supplemented by imports from Norway and Sweden and, to a considerably lesser extent, from Germany and Austria. The domestic producers use either Swiss ash or American hickory, regarding the respective merits of which there is considerable difference of opinion. The hickory is heavier, but it is said to be smoother and to last longer. A wide and substantial type of ski is demanded rather than the narrow racing and semi-racing Norwegian type.

Prices of skis vary according to the material from which they are made and their length, which ranges from 180 to 240 centimetres. Hickory models are slightly more expensive than the ash. Cheap skis for children and beginners cost as little as 20 fr. (\$4), while a pair of first-quality imported Norwegian skis may be as high as 80 fr. (\$16). A fair average price, however, is in the vicinity of 40 fr. to 50 fr., or the equivalent of eight or nine dollars.

There are a wide range of both simple and complicated fasteners on the market with prices going as high as 18 fr. (\$3.60). Good and inexpensive ski-boots are made in Switzerland.

There is no uniformity as to the costume worn, but where special clothes are purchased dark blue uniforms appear to predominate. Ski gloves and mitts are made in the country and are also imported from Germany and France. Importers are interested in getting quotations from Canada on these articles.

When there is insufficient snow for good ski-ing, there is usually ice for skating; this also is a popular pastime. Most of the larger hotels in the winter resorts have their own rinks, and in addition there is always a sheet of ice maintained by the municipality which may be used by all upon payment of a small "kurtax" which is automatically added to hotel bills.

Olympic sports and various competitions fostered by hotel and tourist agencies have done much to promote figure skating and also hockey. Swiss hockey teams now play with one another through a series of matches to semi-finals and finals, not unlike Canadian leagues, and the inauguration of hockey—which up to a few years ago was comparatively unknown—has had the effect of creating a good market for Canadian hockey skates.

Skates are made in Switzerland, but their quality is said to be not of the best, and there is a considerable import, although figures as to its value are not available. Imports are from Canada, Germany, the United States, and Sweden. Good Sheffield skates can be obtained for 32 fr. (\$6.25). The German prices are on the whole lower and come nearer the average, which is the equivalent of from four to five dollars. Swedish and Canadian figures are competitive, although in both cases for first-quality articles prices are high.

Hockey sticks are all imported from Canada and sell for the equivalent of from \$1.25 to \$2.50

In addition to the foregoing, a great variety of sports equipment is sold in Switzerland, which ranges from the simplest articles to the most expensive outfits for all sports. On the whole, however, these are of little or no interest to Canadian exporters.

TOBACCO

Despite efforts to increase the domestic production of tobacco, the increment has been very small and the output is comparatively insignificant. In 1927 slightly over 46 hectares were under tobacco cultivation, 36 of which were in the Canton of Tessin on the south side of the Alps.

Imports of leaf tobacco into Switzerland have during the present decade shown a tendency to increase. In 1927 they came to 617 tons valued at 20,316,785 fr., and in 1928 to 629 tons at 20,571,700 fr.

Taking the 1928 figures in detail, 309 tons at 9,380,211 fr. came from the United States, 78 tons at 3,841,707 fr. from the Dutch East Indies, 59 tons at 1,308,572 fr. from Brazil, and 49 tons at 3,113,340 fr. from Greece. Smaller quantities were imported from Uruguay, Italy, Hungary, Turkey, and Algeria.

It is significant to note that since the beginning of the war imports of leaf tobacco from the United States have constituted about 50 per cent of the total leaf imports into Switzerland. The American varieties used consist for the most part of Burley, Kentucky, and dark Virginia.

There are few manufactured tobacco products imported into Switzerland, although the sales of one or two well-known brands of American cigarettes are increasing. Some cigars are brought in from Holland.

On the other hand, there is a fair export of both cigars and cigarettes, in 1928 the former standing at 96 metric tons worth 1,115,249 fr., and the latter at 20 tons valued at 2,928,784 fr. South America is the principal market for Swiss cigars, while Italy, France, and Spain use Swiss-made cigarettes.

LUMBER AND LUMBER PRODUCTS

As a market for foreign logs and lumber Switzerland is a country of very secondary importance, particularly as far as Canada is concerned. While no figures are published regarding the domestic production of lumber, it is estimated by the trade that it is in the neighbourhood of three-quarters of the total requirements. The State is paying considerable attention to its forest resources by means of subsidies and technical assistance, and there is no immediate prospect that the situation will materially alter. In fact, the reverse is considered to be more probable.

At the present time conditions in the lumber trade are good owing to extensive building operations in hand and projected, and as a result of this the furniture-making industry is also busy.

For general utility woods such countries as France, Poland, Austria, and Jugo-Slavia are the countries of origin of the largest quantities. The names of the Scandinavian countries do not appear in the trade statistics, while imports from Finland and the Baltic States are likewise of no importance.

The Swiss trade returns do not, except in a few instances, classify separately the imports of different species of wood. Most of them are grouped under the headings coniferous and deciduous, which are, however, again grouped as either hewn or sawn or planed or as logs.

Beech logs are entered by themselves. In 1928 there were 13,210 tons imported with a gross value of 728,563 fr. Over half of this quantity, or 703 tons at 394,741 fr., originated in Germany, most of the balance in France, and Austria and Hungary brought up the rear.

In the same period imports of logs of other deciduous trees totalled 34,779 tons valued at 3,076,929 fr. France came first with 15,624 tons at 908,385 fr., and although the quantity from Poland was but 6,055 tons, the value was 610,504 fr. The other countries which supplied large quantities are Germany, Austria, and Jugo-Slavia. Under the same heading the United States is credited with 272 tons at 50,636 fr., and Canada with 5 tons at 800 fr.

Imports of coniferous logs were considerably greater than those of the leafy trees and came to 14,785 tons valued at 9,914,790 fr., over 80 per cent of which came from Austria.

Canada also supplied a small quantity of hewn logs from deciduous trees, but the value was only 285 fr. out of a total of 98,460 fr. Most of the imports under this heading came from West Africa and Japan.

The Canadian share in sawn or planed building and general utility wood other than oak is slightly larger although, comparatively speaking, very small. Imports of boards made from leafy trees came to 27,382 tons at 5,007,698 fr. France and Roumania, followed by Jugo-Slavia, are the largest contributors, but the United States occupies an important position particularly as regards value; importations from that country in 1928 were 287 tons with a value of 201,796 fr. Canada's share was slightly less than one ton at 300 fr.

Imports of fir tree boards totalled 66,858 tons valued at 11,651,528 fr. Austria is credited with the largest contribution, or 37,455 tons at 4,772,395 fr., followed by the United States with 10,334 tons at 3,473,036 fr.—all of which is probably accounted for by pitch pine and Douglas fir. Canada also sent 87 tons of fir tree boards with a value of 19,970 fr.—practically all of which was probably Douglas fir.

It is with Douglas fir and, to a lesser extent, with some hardwood logs for the furniture industry that the best possibilities exist of expanding the Canadian lumber trade with Switzerland. The former, although appreciably higher in price than the European soft woods, is increasing in popularity as a material for flooring and interior finish. The difficulty is, however, that Swiss importers are able to take only limited quantities; they ask for specifications which are not always readily available, and they are accustomed to being given from 30 to 45 days' credit, a concession that few exporters are prepared to grant.

Douglas fir, which is a comparatively new wood in Europe, was used and known in Germany before it reached Switzerland, and German importers in Mannheim are responsible for its introduction. These importers in this neighbouring city carry stocks and are prepared to supply what is wanted in small quantities on generous terms. They have the advantage of knowing the trade and of being able to buy in larger quantities, and until the use of Douglas fir increases there will be obvious difficulties in the way of conducting a large direct trade.

As regards hardwood flooring, maple is not well known. The chief imports are oak, beech, and walnut boardings, which come in lengths of from 0.80 to 2.50 metres and with breadths of 10, 11 or 12 centimetres. These boardings come principally from North Germany, Poland, and Czechoslovakia. In order to avoid a high rate of duty, they are imported in a raw state and polished and tongued and grooved in Switzerland.

Most of the railway ties used are of domestic oak, but there are also some imports from adjacent countries. Steel ties are now being used in Switzerland, and on some sections of the railway they will gradually completely replace the wood.

In most other woods and wood products, with the possible exception of Douglas fir plywood, the prospects of Canadian exporters doing a profitable business are not good. At present this market is almost entirely in the hands of European manufacturers whom it would be difficult to dislodge.

WOOD PULP

In 1928 Switzerland imported 14,664 tons of all varieties of pulp wood. Of the total, 2,426 tons were mechanical pulp, 8,068 tons unbleached chemical pulp, and 4,170 tons bleached chemical pulp.

As regards mechanical pulp, the market is almost equally divided between Austria and Sweden, with smaller quantities from Germany and Finland. The German pulp is the most expensive; the Austrian is the cheapest. In addition to being an importer, Switzerland is also an exporter of mechanical wood pulp; France is the only market of importance. In 1928 exports were 1,850 tons and in 1927, 1,320 tons.

The quantity of unbleached chemical pulp imported is on the average greater than that of the other two combined. Out of the 8,068 tons which were imported in 1928, 2,237 tons were from Czechoslovakia, 2,063 tons from Sweden, 1,825 tons from Austria, with smaller quantities from Germany, Finland, Portugal, and Norway. Exports of unbleached in 1928 amounted to 4,019 tons, which were fairly equally distributed between France and Italy.

Switzerland is an exporter rather than an importer of bleached mechanical pulp, exports during the past few years having been about twice as large as imports. In 1928 the figure was 7,786 tons, and in 1927, 8,680 tons. Of the former quantity, 5,075 tons were sent to France and 2,491 tons to Italy. As far as imports are concerned, the total in 1928 was 4,170 tons. The largest proportion of this, or 2,104 tons, originated in Germany, 1,220 tons in Austria, and much smaller quantities in France, Finland, and Czechoslovakia. The United States is also credited with 3,463 kg. valued at 2,630 fr., but otherwise there are no imports of any kinds of wood pulp from other than European sources.

PAPER AND PAPER PRODUCTS

Although many kinds of paper are made in Switzerland, and there is a not unimportant export trade, the domestic production is not large or diversified enough to cope with the demand and consequently there is a substantial import trade in which Canada has a limited share.

While imports of newsprint weighing from 45 to 55 grams per square metre were less than one ton in 1928, exports of the same material came to 10,689 tons. France was the best market, taking 9,930 tons.

Imports of what is designated single-coloured printing, writing and drawing paper were 4,701 tons, the bulk of which came from Germany and Austria, with lesser quantities from Sweden, Czechoslovakia, and France. Canada is credited with close to 58 tons with a value of 37,052 fr., and the United States with a smaller quantity of 35 tons.

Canada also sells Switzerland small quantities of wrapping paper, in which product the market is controlled by Sweden, that country supplying over 80 per cent of the imports. Canadian exports in 1928 were less than half a ton. Germany, France, and Czechoslovakia are other contributors.

Apart from the products mentioned above, there are also small quantities of cardboard and wallpaper imported from Canada. As far as the former is concerned, the volume is insignificant, but the latter is of more importance. The total wallpaper imports in 1928 was 1,365 tons valued at 2,377,129 fr. Germany easily occupied first place among the countries of origin with 956 tons at 1,568,744 fr. France and the United Kingdom hold close positions for second place, the first with 173 tons at 349,335 fr. and the latter with 175 tons at 347,702 fr. Belgium supplied 49 tons, Canada $4\frac{1}{4}$ tons, and the United States somewhat less than 3 tons.

The average value per 100 kg. of the Canadian wallpaper was 188 fr., of the American 314 fr., of the German 164, of the French 201, and of the British 198 fr. Apart from these countries there were small quantities which came from Austria, Italy, Holland, Denmark, and Sweden.

Playing cards are imported from Germany, the United Kingdom, and Austria in the order named. Germany supplies the cheapest varieties of cards, while the more expensive ones are of English manufacture.

Some lithographical advertising material has come from Canada. The market for high-quality writing paper is catered to by Swiss, German, and American manufacturers. If Canadian producers were in a position to offer this paper, they should be able to compete successfully.

LEATHER AND LEATHER PRODUCTS

Although there is a well-developed tanning industry in Switzerland, its output is not sufficient to meet the requirements of the large shoe and other leather-using industries and practically all types of leather are imported. Fairly substantial quantities of sole leather are credited to Canada. Virtually all the leather-producing countries of the world are in the Swiss market, and as a consequence competition is exceptionally severe.

In sole leathers France has the largest place in the trade, which is shared by the United Kingdom, Belgium, and Italy, as well as by a number of other countries. In the upper leather trade Germany leads easily. For example, total imports of box calf during 1928 were valued at 6,499,723 fr., and of this sum 3,954,295 fr. represented imports from Germany. The other leading exporters of box calf were France, Czechoslovakia, and the United States.

According to the United States Department of Commerce, exports of American leather to Switzerland have during the past five years had an average value which exceeded \$1,250,000, the bulk of which represented upper leathers. A glance at the American export figures for 1927 show that Switzerland's purchases from that country have been as follows: cattle side uppers, black grains, valued at \$11,774; other cattle side uppers, \$425,665; finished splits, \$18,003; black calf and kip, \$398,703; other calf and kip, \$115,422; sheep and lamb leathers, \$23,278; black goat and kid, \$62,746; other goat and kid, \$27,957; and other unclassified upper leather, \$5,192. As regards patent leather, upper sides from the United States had a value of \$236,260, and other patent leather \$130,474.

Sole leather—backs, bends, and sides—totalled \$163,723. Apart from shoe leathers the United States also exported small quantities of harness, upholstery, and fancy leathers, the value of each of which, however, was less than \$300.

As far as Canada is concerned, the best opportunities of securing an increased share of Switzerland's business would appear to be in patent leathers, the domestic production of which is far behind requirements. Apart from Germany, which is the largest supplier, the United States, France, and the United Kingdom are also doing business. If Canadian tanners are to enter the market, they must not only meet the prices of these competitors but also their credit terms, which in some instances are fairly liberal.

BOOTS AND SHOES

Despite the fact that Switzerland is a large producer and exporter of boots and shoes, there are also imports of these articles which, other than rubber, average about a million and a half pairs per annum.

The largest units of the domestic production are in the canton of Solothurn at Schönenwerd and Olten, the Bally plant at the former accounting for approxi-

mately half of the national production, which is estimated at being in the neighbourhood of 7,000,000 pairs. This same firm, which is one of the largest shoe manufacturers in Europe, employ close to 7,000 workmen and export nearly half of their output.

The leading market for Swiss shoes is the United Kingdom, followed by the United States and Germany, although they are also sold in smaller quantities practically all over the world.

In the import market Germany supplies roughly 40 per cent of the total, while France, the United States, and Czechoslovakia are also important suppliers; the latter country in particular has increased its share of the trade during recent years. There are also a few British-made shoes to be seen. These as well as most of those of American origin are in the more expensive lines which sell at from 45 to 65 francs. Continental countries confine their activities more to competition in the cheaper varieties.

In 1928 Canada is credited with supplying 198 pairs of leather shoes with a value of 2,798 fr. and 148 pairs of what are described as woven shoes without leather soles with a value of 1,147 fr. In 1927 these figures were 113 pairs at 1,933 fr. and 302 pairs at 965 fr. respectively.

HIDES AND SKINS

The Swiss tanning industry imports hides from some forty different countries, but the largest quantities come from Italy and the Argentine. Other important contributors are Germany, Denmark, Uruguay, and Brazil. Canada appears under several different headings in connection with hides and skins, although in each case the figure involved is small and probably represents the skins of fur-bearing animals rather than hides. In 1928 Canada was credited with raw skins 44 kilograms by weight and 102,434 fr. by value; 194 kilograms of what are specified as prepared hides and skins with a value of 74,163 fr.; and 3 kilograms of hides and skins sewn together with a value of 1,700 fr.

Swiss fur dealers have expressed considerable interest in importing direct from Canada instead of buying through different European centres as is the case at present. The difficulty to be overcome, however, is that, owing to bad experiences in the past, importers hesitate to purchase before inspection and exporters rightfully hesitate to ship on consignment.

LIVE ANIMALS

Silver foxes and other fur-bearing animals are not classified separately, but under the heading of animals not elsewhere specified. Imports from Canada were 197 animals at 239,125 fr., thus making an average value per animal of 1,214 fr. These were undoubtedly all fur-bearing animals, Canada being Switzerland's chief source of supply. Under the same heading imports from the United States were 70 animals valued at 55,110 fr., the average price being 716 fr. In 1927 similar imports from Canada were 17 animals at 3,450 fr.

While foxes make up the great bulk of these figures, Switzerland is now showing a greater interest in other fur-bearing animals apart from muskrats whose entry into the country is prohibited by law.

AGRICULTURAL IMPLEMENTS AND MACHINERY

Switzerland offers only restricted openings for the sale of Canadian agricultural implements on account of the comparative unimportance of the agricul-

tural industry and because of domestic and European competition. Despite these difficulties, Canadian manufacturers have been able to do some business, chiefly in mowers, rakes, and hand tools. The small extent of the Swiss farm—which averages only about 22 acres—does not make the country a suitable field for the sale of machinery for large-scale operations. Swiss agriculture runs principally to stock-raising, dairying, the growing of roots, and other small farming.

In addition to domestic manufacturers, the market for agricultural implements and machinery is catered to by German, French, Belgian, and United States manufacturers, while British, Austrian, Italian, and Swedish firms are also doing business. The Germans, however, easily lead the list of sellers and have the bulk of the trade. For example, in 1928 tillage machinery was imported weighing 62 tons with a value of 569,820 fr. Out of these totals Germany supplied 42 tons at 374,268 fr.; France, 17 tons at 149,843 fr.; Belgium, 14 tons at 11,001 fr.; the United States, 16 tons at 24,757 fr.; and Canada, slightly less than 1½ tons with a value of 1,730 fr.

In cream separators Sweden has the largest share of the trade. Imports from that country, with a value in 1928 of 151,003 fr., were almost entirely represented by these products.

Canada appears as the country of origin of small quantities of agricultural machinery not specially mentioned. The weight and value were, however, in 1928 only 718 kilos and 1,070 fr. respectively. The total under the same heading was 1,966 tons at 2,258,432 fr. Germany headed the list of suppliers with 1,150 tons and 1,361,179 fr. France came second with 589 tons at 564,521 fr. The United States, Austria, Belgium, and Sweden all contributed smaller quantities.

As regards scythes, sickles, and forks, imports from Canada amounted to 3 tons with a value of 6,670 fr. out of a total of 278 tons at 705,972 fr. Here again Germany supplied over 50 per cent of the total weight with 152 tons, although the value was proportionately less. The United States followed in second place with 53 tons at 139,420 fr., while the only other exporting countries of importance were Austria and France.

Other garden tools and implements—which include all hand tools and similar small machines—were imported from Germany, the United States, France, Austria, the United Kingdom, and Canada. Out of the total of 283 tons at 528,358 fr. which were brought into Switzerland in 1928, the first-named country was credited with 168 tons at 292,798 fr., the second with 51 tons at 114,689 fr., while the Canadian contribution was slightly more than 6 tons with a value of 13,904 fr.

ELECTRICAL APPLIANCES

A high standard of living coupled with hydro-electrical development makes the use of household electrical and labour-saving devices fairly common in Switzerland, although the point of saturation is much below that of Canada or the United States. The appliances which are on the market include vacuum cleaners, irons, water heaters, hot plates, chafing dishes, refrigerators, heaters, cooking stoves, and washing machines.

The bulk of the trade is in the hands of domestic manufacturers, who are followed by the Germans, but French, British, and American products are also sold. American articles coming under the heading are principally vacuum cleaners, electrical refrigeration units, and washing machines, all of which are expensive and are in most cases backed up by extensive advertising and display.

The Swiss have never got used to any extent to electricity as a cooking medium, and while a few American ranges have been imported, most of those sold are either of domestic or German manufacture, both of which are comparatively low in price.

One well-known Canadian vacuum cleaner is being successfully sold in Switzerland, exports in the fiscal year 1928 having been valued at \$14,487.

AUTOMOBILES

A few Canadian motor cars have been shipped to Switzerland: ten units valued at 77,200 were brought in in 1928. By weight these ranged from 1,200 to 1,600 kilograms.

The United States dominates the Swiss automobile market in all classes of cars with the exception of the lightest types. In the trade returns imports are classified according to weight. There were 633 imported weighing less than 800 kilos valued at 2,190,044 fr. Out of this total 225 were from France, 250 from Italy, 90 from the United States, and 57 from Germany.

Turning to the heavier vehicles ranging from 800 to 1,200 kilograms by weight, the total imports were 2,943 cars at 23,311,002 fr., out of which number 2,076 cars at 16,387,747 fr. came from the United States. The only other contributors of importance were France and Italy, the former with 341 at 2,880,759 fr. and the latter with 408 at 2,902,523 fr.

As regards heavier cars weighing in excess of 1,600 kilos, 849 were imported valued at 16,159,368 fr.; the United States is credited with 668 (9,978,574 fr.), Germany with 62, France with 75, and Belgium with 21. Trucks would be included in this category. These vehicles are made in Switzerland and are exported to a considerable extent. Passenger cars are also manufactured, but domestic competition is not strong.

As a market for tractors, Switzerland does not occupy a prominent position. There were 60 imported in 1928; 54 of these came from the United States. Approximately 50 per cent of the imported motor cycles on the road are from the United Kingdom, Belgium following in second place.

The total number of passenger automobiles in use in Switzerland at the close of 1927 was 42,369, divided among the following countries of manufacture: France, 13,790 (the principal makes being Citroen, 3,950; Peugeot, 1,904; Renault, 1,518); American, 11,632 (Buick, 2,423; Ford, 1,506; Chrysler, 1,116; Chevrolet, 831; Studebaker, 620; Overland, 580; Packard, 457; Dodge, 425; various, 3,674); Italy, 10,530 (Fiat, 7,769); Germany, 2,489 (Mercedes, 445; Benz, 435); Switzerland, 1,583 (Martini, 781; Pic-Pic, 513); Belgium, 902 (Minerva, 445); Austria, 529 (Steyr, 222).

The total number of trucks was 12,078, divided as follows: Switzerland, 4,786 (Saurer, 2,049; Berna, 1,059); American, 2,510 (Ford, 1,011; Fordson, 568; Chevrolet, 393; Cletrac, 150; various, 388); Germany, 1,569 (Benz-Gaggenau, 333; Opel, 198); France, 1,530 (Berliet, 328; Renault, 223); Italy, 1,442 (Fiat, 975; Lancia, 148).

MINERALS AND METALS

As a manufacturing country with a dearth of natural resources of its own, a market always exists in Switzerland for certain Canadian mineral products, chief among which are mica and asbestos, lead and zinc.

In the trade returns mica and asbestos are grouped together. Out of 1,072 tons valued at 1,477,221 fr., Canada contributed 105 tons at 45,685 fr. Most of this will be represented by asbestos. Importers are interested in securing mica from Canada, but at the present time the bulk of the requirements are coming from British India, whose contribution is 294 tons at 1,050,984 fr. The only other important suppliers of these two materials are Russia and South Africa.

Germany is the principal purveyor of abrasives, with the United States and France not far behind. Importations from Norway are also of some importance.

In 1928 Canada exported 20 tons of lead in bars and blocks to Switzerland. During the same period there were 6,340 tons from Spain, 1,169 tons from Australia, 946 tons from Belgium, while additional quantities came from Germany, France, Burma, and the United States.

Belgium was the country of origin of 4,301 tons of bars and blocks of zinc, which had a value of 2,972,193 fr. No other single exporter supplied as much as a sixth of this quantity. Australia followed Belgium with 655 tons at 457,652 fr. France, Holland, and the United States are all credited with quantities greater than 200 tons, while Canada supplied 53 tons worth 37,164 fr.

In 1928 Canada was, after Germany, the leading supplier of aluminium ingots, the quantity being 174 tons with a value of 439,445 fr., while Germany was credited with 277 tons at 582,539 fr. Austria came third by value, followed by the United Kingdom. Switzerland is an importer of both fabricated aluminium and aluminium ware; small quantities are listed as having gone to Canada. Germany and the United Kingdom are among the best markets, but it is a trade which extends to all parts of the world.

GENERAL

Steel office furniture is being popularized in Switzerland. It is manufactured in the country and is also imported from Germany, the United Kingdom, and the United States. Sales campaigns are as a rule backed by extensive advertising; a new line coming in would need a considerable degree of publicity. In wooden furniture Canada has little chance of competing.

Radio equipment calls for a longer wave length than is standard in Canada. In addition to Swiss-made equipment, Dutch and German sets are on the market.

Canadian brass valves are being sold successfully in addition to many other articles, the volume and value of which is so small, however, that they are not mentioned in the import statistics. Some of these are no doubt sold direct, while others filter in through London, Paris, and other cities at the hands of agents and import houses.

In textiles and most articles of clothing it is difficult for Canadian producers to meet European competition. Swiss importers are, however, always interested in anything which is new or can be classified as a specialty in all lines of merchandise.

To recapitulate, Switzerland is a small country with a population of less than four million. The standard of living is well above the European average, and quality is in most cases appreciated apart from price. It is an inland state, and consequently the question of freight rates must be considered in relation to European producers who may be selling competing articles. Within these limitations, however, it is well worth a close study as a market for Canadian goods.

IV

Methods of Doing Business with Switzerland

As a market for foreign goods Switzerland has a number of characteristics which are common to few, if any, other countries, and if an intelligent effort is to be made to sell goods there, these must be carefully studied and the methods employed by competitors must be duplicated or improved upon.

Although the prosperity of the country is dependent to a high degree on export trade, the Swiss are not a nation of traders, of buyers and sellers to the same extent as maritime peoples such as the Dutch and the English. While

there are hundreds of firms in the countries of Northwestern Europe which border on the sea who are engaged in business as exporters and importers, the number in Switzerland is very limited. In some commodities in particular a substantial proportion of the Swiss trade is in the hands of importers and agents in Germany, Holland, Belgium and France, and it is through these middlemen that some Canadian exports find their way to Switzerland.

There are instances where the employment of foreign intermediaries is justified owing to the limitations of a market with three million inhabitants and consequent restricted demand, and also when overseas exporters are unable or unwilling to comply with demands made as to conditions of credit and methods of quoting. While in a limited number of instances there may be no justification for direct representation in Switzerland, in the great majority of cases this is not only advisable but necessary if the most is to be made of existent selling opportunities. For the foreign exporter Switzerland is only a subsidiary market, but for the Swiss importer it is the principal and in most cases the only market and is thus likely to be worked with much more enthusiasm and thoroughness. In addition, apart from the personal contact—which is often either completely lacking or only imperfectly developed when trading is done through foreigners—there is the strong national sentiment which makes Swiss prefer to buy from Swiss.

REPRESENTATION

There are three principal methods of doing business with Switzerland in each of which modifications may be necessary in order to meet particular requirements.

The first method is by means of a branch of the exporting house established in the republic and incorporated under Swiss law. A number of American, British and European exporters have found it convenient to establish Swiss branches, although in all cases this was the culmination of former successful participation in the market through a resident agent or direct sales. If there is sufficient business to warrant its existence, the branch method may be in the majority of cases considered the most desirable means of securing volume results. It is, however, of immediate interest only to those exporters who are so well established that their affairs can be best looked after by their own organizations.

Of more immediate interest to most Canadian shippers is the second method, which is the medium of a Swiss agent or representative. This may be either an individual or a firm doing business on a commission basis, or buying for their own account, wholesalers being included in the latter category. This type of connection as a rule asks for and is given sole representation either by formal contract or a gentlemen's agreement.

The straight agent is usually preferable to the wholesaler. The latter's competitors will not buy from him, and there is also the tendency to follow the path of least resistance and not push a line energetically enough unless it happens to be particularly remunerative.

Apart from having either a branch office or a resident Swiss agent, business may be done direct with the retailers—the method adopted by many European firms, particularly the Germans. Owing to geographical contiguity and a common language, it is a comparatively easy matter for German commercial travellers to include the greater part of Switzerland in their itinerary. Few Canadian commercial travellers visit Continental Europe, and in any case qualifications are necessary in Switzerland which few possess. To conclude business successfully a fluent knowledge of both German and French is necessary.

In addition to employing commercial travellers, contracts may be made and business concluded direct with retailers by direct correspondence. A few

Canadian products such as those which lend themselves to shipment by parcel post are being sold in the country by this method, but for obvious reasons the volume can never become large.

VALUE OF PERSONAL CONTACT

While the office of the Canadian Trade Commissioner in Rotterdam is in contact with many of the leading Swiss agents and importers and is in a position to effect introductions, the value of personal contact when appointing a representative cannot be over-emphasized. This is the case with most countries, but it is equally so with Switzerland, where the importer has become used to periodical calls from his German, French, or Italian principals. After the market has been surveyed and contacts established a personal call is to be recommended.

PACKING

In packing goods for export to Switzerland, the principal point to be borne in mind is that the import duties are levied on the gross weight or on the net weight with the minimum tax added to it. The kind of packing required depends on the nature of the merchandise, but it is often possible to effect economies by packing as lightly as possible consistent with safety. In no case, however, should safety be disregarded in order to effect small savings in duty.

While the majority of bulk commodities shipped from Canada to Switzerland are transported up the Rhine in river barges from Rotterdam, the greater part of the package freight is routed via Antwerp, from whence it is forwarded by rail to Basel.

It is also important that the exporter should mark in a conspicuous place on the outside of each container both its gross and net weights in metric measure. This facilitates clearance through the customs and is also of assistance to the carriers.

When it can be avoided, it is inadvisable to pack different varieties of merchandise which are subject to different classifications in the same box. If examination is rendered difficult because of this, it may be necessary to pay duty on the whole at the rate applicable to the article taking the highest classification.

DISTRIBUTION OF IMPORTS

Zürich, the largest city in the republic, is also the commercial metropolis and together with Basle, the second city, is the most central point for covering the whole country. Although Basle is the port of entry for most Canadian goods, the great bulk arrive via Rotterdam and Antwerp. Both Basle and Zürich are in German Switzerland, which is the most important section of the republic, and most of the larger and better importers and agents in these cities have their own organizations covering French and Italian Switzerland as well as the German cantons. These make the most desirable type of connection.

Other and usually smaller firms work only in their own linguistic divisions or even confine themselves to particular geographical sections. When this type of agent secures an agency for the whole of Switzerland it is not uncommon to farm it out to various sub-agents. This practice is not to be recommended. It means split commissions and a looseness of organization which may lead to many small difficulties which in the aggregate destroy the value of the business being transacted.

As an alternative to giving one agent a line of goods to sell for the whole of Switzerland, one may be appointed for the German-speaking cantons, one for the French cantons, and one for the Italian section, each of these dealing with the direct exporter. This is assuming that there is sufficient volume of

trade to justify the added expense of dealing with three agents instead of one, although Italian Switzerland, which is of little importance, can often be conveniently worked with the German part of the country.

To sum up, the Canadian exporter shipping to Switzerland should, when possible, have only one connection for the whole country, and as an alternative one in the north for the German part and one in Geneva or Lausanne for French Switzerland.

QUOTATIONS AND TERMS

To gain a good foothold in a foreign market the methods and terms given by competitors must to a large extent at least be duplicated, and this is one of the difficulties with which exporters in Canada have to contend. In a country like Holland the most that is requested is that quotations be made *c.i.f.* Dutch port. The Swiss as a rule are not satisfied with prices quoted to a North Sea port but ask for figures *c.i.f.* Basle or *f.o.r.* some inland point, including import duty. Continental competitors will quote *franco* and in Swiss currency to the importers' warehouse, and consequently there is a disinclination to go to the trouble of employing a forwarding agent and figuring out the additional charges for bringing the goods from seaboard to Switzerland and the seller who does this work himself gets the business.

In correspondence with Swiss importers it is also advisable, in addition to quoting in francs, to convert the weights and measures to the metric system and to use French or German. Catalogues and literature in English with highly technical information are useless.

The question of credit must also be considered when studying the Swiss market. It is seldom, if ever, that payment is made by means of letters of credit, and in fact the importer is in most cases given 30 to 60 days in which to pay for the goods. One of the factors standing in the way of increasing direct trade is the fact that, while the middleman is prepared for a very small profit to assume the risk of giving credit, the exporter hesitates or is unwilling to do so.

It can be appreciated that when a European exporter selling in Switzerland gives a price laid down any place in Switzerland with liberal credit terms, a catalogue and letter in English quoting in dollars perhaps *f.a.s.* steamer and with no credit stipulations will not lead to business.

CARRYING OF STOCKS

Because of the many attractive ways in which capital may be employed, the Swiss are averse to tying up their money in heavy stocks of goods. They prefer to buy small quantities at frequent intervals—a consideration giving shippers in nearby countries a very appreciable advantage.

When discussing the prospects of trading with Canada, the question invariably asked is whether stocks are carried on this side of the Atlantic, which places exporters who have warehouses in the United Kingdom in a particularly favourable position.

The question of consignment is not as a rule mentioned seriously, although there are instances where this is demanded and should be carefully considered as, for example, in the case of a new product being introduced for the first time.

ADVERTISING

Advertising is as essential in Switzerland as anywhere else in connection with branded and proprietary goods and other products and articles which have features of their own. The question is one which has different angles with different articles, and few general statements can be made. Newspapers, trade journals, novelties, posters and the moving pictures are all effective mediums.

The question of advertising is complicated owing to language and the necessity of employing German, French, and Italian. When advertising is contemplated, it is usually advisable to employ a Swiss advertising agency. Psychological differences make material which is effective in Canada of little use in Switzerland.

CREDIT INFORMATION

Switzerland does not differ from other countries in that there are some firms in business who are bad credit risks. No goods should be shipped or relationships entered into until credit information is secured on the prospective customer or agent. This can be obtained through the commercial banks and any of a number of credit information bureaux. On the whole, however, the business morale of the average Swiss firm may be classified as good.

All firms of any importance are required by law to file certain particulars with the trade registers at the Chambers of Commerce in the different municipalities, and these are additional sources of information. Swiss law is also very strict with reference to obligations incurred under bills of exchange.

TARIFF AND IMPORT REGULATIONS

Because of the national importance of export trade, the Swiss are not instinctively protectionists but belong rather to the low tariff school. With the wave of nationalism and protectionism which has made itself felt since the war, however, old markets have been shut off or made difficult of access, and the Swiss have retaliated by endeavouring to make up for losses suffered elsewhere by raising their tariff to give the home market an added degree of protection.

Despite this, however, the Swiss tariff remains one of the lowest on the Continent. Based on figures submitted at the Geneva Economic Conference of 1927, it is placed at 11.5 in comparison with 9.5 in the United Kingdom, 15.5 in Germany and 16.5 in France. In Europe only the average import tariffs of the United Kingdom, Belgium and Holland are lower.

The Swiss tariff is of the one-column structure, the products of all countries receiving the same treatment, while duty is levied on the gross weight of the articles, which means that unduly heavy containers should not be employed. In making shipments no special forms or consular invoices are required.

In shipping merchandise to Switzerland no consular invoices, certificates of origin, or certificates of value are required. It is only in the case of a limited number of specific products that special certificates are necessary, although when the merchandise is cleared through the Swiss Customs the importer must fill in declaration forms on which particulars are given showing the kind of goods, the country of origin of the merchandise, net and gross weights, marks and numbers of the packages, and the value of the contents in Swiss francs. The latter include the purchase price of the goods at port of shipment plus transportation charges to the port of entry in Switzerland. For this reason all information should be given on the commercial invoice which is sent to the buyer.

In the case of the specified exceptions, it is necessary that import permits, certificates of origin, and other certificates as required by the Swiss authorities should be attached to the papers accompanying the following goods:—

(1) Shipments of cattle, fresh meat, meat products or preparations—a certificate of health issued by a competent official in the country of origin, while the importer of all these products must secure a special import licence which is obtainable from the Federal Veterinary Bureau at Berne through the intermediary of the Cantonal Veterinarian.

As regards frozen meat, importation is only authorized by special permission of the Federal authorities, which is not granted unless cold storage facilities are available at the point of importation.

(2) Importation of plants is governed by the Phylloxeric Convention of November 3, 1881, in connection with which there are certain prohibitions, although none of these will be of particular interest to Canadian exporters.

(3) Fur-bearing animals cannot be imported unless accompanied by a certificate issued by a competent official in the country of origin certifying that the animals are from a district where no contagious diseases have been found amongst similar animals for forty days prior to shipment. Such fur-bearing animals are also subject to a compulsory veterinarian examination at the Swiss frontier, while in each instance the importer must also have a special import licence.

(4) Apart from the foregoing, leaf tobacco when imported into Switzerland must be accompanied by an official declaration showing the kind.

(5) Importation is prohibited of narcotics, yellow phosphorus, gunpowder and similar products. Absynthe and similar drinks, artificial wine and artificial cider are also on this list.

There is only one column in the Swiss tariff, and merchandise from all countries pays the same rate of duty. This is always levied on the gross weight of the article with the exception of animals, beehives, bicycles, and watch cases. In these instances it is charged on the number of units, while certain alcoholic beverages in casks are dutiable per litre.

The gross weight under the Swiss Customs Law is understood to be the weight of the article itself plus the weight of the wrapping and packing and the weight of the outside container.

When packing is done in such a way that the evasion of import duty is obviously being attempted, or when the packing is subject to a higher rate of duty than the goods themselves, such packing is subject to a separate valuation. When merchandise is declared to be "unpacked," its weight is subject to a percentage increase which is set forth in a specific column of the tariff, the increase being based on the net weight and is known as the "tare" weight.

All goods subject to duty are allowed free entry where the quantity is less than 100 grams, with the exception of tobacco, with which the maximum is 50 grams.

Commercial travellers' samples which can be sold may be imported either by permit or by simply registering them without the payment of any import or monopoly duties providing the country of origin of the samples gives reciprocal treatment to Switzerland. Such a sample permit is valid for the period of one year. Samples of no commercial value may be imported free of duty with the exception of beverages and tobacco. By samples of no commercial value is understood such articles as are imported for purposes of demonstration or analysis and which have no value either on account of the nature of the product or its small quantity. Samples and specimens to be used for other than these purposes are subject to a provisional declaration on entry with permit unless, under customs house supervision, they have been rendered useless for any commercial purposes. Samples and specimens of graphic reproductions as well as sample goods ordered from abroad for use in the Swiss trade are not allowed to be imported free of duty. Commercial catalogues and similar literature may be imported free when the weight is less than 500 grams, provided the importation is by mail and in single copies. In all other cases they are dutiable under the rates applicable to printed matter.

TRADE PROMOTION ORGANIZATIONS

There is no representative of the Department of Trade and Commerce in Switzerland, but the Canadian Trade Commissioner in Rotterdam, in whose territory the country lies, is in a position to give information regarding trade openings and to put exporters in touch with potential buyers.

A semi-official organization, "The Swiss Office for the Development of Trade", with branches in Zürich and Lausanne, assists Swiss exporters and will also help importers to secure goods which are not made in the country. Inquiries regarding the purchase of Swiss-made products should be directed to the branch at Zürich.

In Basle there is a British Chamber of Commerce in which Canadian firms are eligible for membership.

As regards exhibitions, the Swiss Industries Fair which is held in Basle every year during the second half of April is the largest national exhibition. Its displays are, however, confined primarily to Swiss products.

CO-OPERATIVE ORGANIZATIONS

Various forms of producer and consumer co-operation have made considerable progress in Switzerland not only in agriculture but in buying and selling. The Verband Schweizerische Konsumvereine, Basle, and the Union Schweizerische Einkauf Gesellschaft, Olten, are two large co-operative organizations buying all varieties of foodstuffs, clothing and many household goods which they sell in their own retail stores scattered throughout the country. In 1926 the former had a membership of 365,000 families and a turnover of 270,000,000 francs. It also operates one of the largest flour mills in Switzerland as well as other manufacturing enterprises. Both of these are large buyers.

GENERAL

While the Swiss market has its limitations and is in many respects exacting, it is well worth attention and to sum up the following trading points should be remembered.

- (1) The country should be worked by means of resident agents.
- (2) Catalogues and literature should be in French and German and should give weights and measures in the metric system.
- (3) Correspondence should be conducted in French and if possible in German for the German speaking part.
- (4) Through quotations in Swiss francs c.i.f. Swiss points or f.o.r. duty paid should be quoted.
- (5) Reasonable credits to reputable importers should not be refused.

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